STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 3

AMENDED REPORT ☐
(highlight changes)

APPLICATION FOR PERMIT TO DRILL

5. MINERAL LEASE NO: STUO01197-AST	6. SURFACE: State
7. IF INDIAN, ALLOTTEE OR TRIBE NAME:	
8. UNIT or CA AGREEMENT NAME: UNIT #891008900A	
9. WELL NAME and NUMBER: NBU 1022-14A	
10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES	
11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENE 14 10S 22E	
12. COUNTY: UINTAH	13. STATE: UTAH

1A. TYPE OF WORK: DRILL ☑ REENTER ☐ DEEPEN ☐

B. TYPE OF WELL: OIL ☐ GAS ☑ OTHER _____ SINGLE ZONE ☐ MULTIPLE ZONE ☑

2. NAME OF OPERATOR: KERR McGEE OIL & GAS ONSHORE L.P.

3. ADDRESS OF OPERATOR: 1368 S 1200 E CITY VERNAL STATE UT ZIP 84078 PHONE NUMBER: (435) 781-7024

4. LOCATION OF WELL (FOOTAGES)
AT SURFACE: 1233'FNL, 1317'FEL 636526X 4423531Y 39.952798 -109.401755
AT PROPOSED PRODUCING ZONE:

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 28.15 +/- MILES SOUTHEAST OF OURAY, UTAH

15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET)	16. NUMBER OF ACRES IN LEASE:	17. NUMBER OF ACRES ASSIGNED TO THIS WELL:
1233'	1674.49	NBU
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET)	**19. PROPOSED DEPTH:**	**20. BOND DESCRIPTION:**
REFER TO TOPO C	8,330	RLB0005237
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.):	**22. APPROXIMATE DATE WORK WILL START:**	**23. ESTIMATED DURATION:**
5233'GL		

24. **PROPOSED CASING AND CEMENTING PROGRAM**

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT	SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT
12 1/4"	9 5/8 32.3# H-40	1,900	265 SX CLASS G 1.18 YIELD 15.6 PPG
7 7/8"	4 1/2 11.6# I-80	8,330	1730 SX 50/50 POZ 1.31 YIELD 14.3 PPG

25. **ATTACHMENTS**

VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES:

☑ WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER
☑ EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER
☑ COMPLETE DRILLING PLAN
☐ FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER

NAME (PLEASE PRINT) SHEILA UPCHEGO TITLE SENIOR LAND ADMIN SPECIALIST

SIGNATURE [signature] DATE 8/7/2007

(This space for State use only)

API NUMBER ASSIGNED: 43-047-39524

Approved by the Utah Division of Oil, Gas and Mining

APPROVAL:

Date: 10-25-07

By: [signature]

RECEIVED
AUG 16 2007
DIV. OF OIL, GAS & MINING

(11/2001) (See Instructions on Reverse Side)

Kerr-McGee Oil & Gas Onshore LP

Well location, NBU #1022-14A, located as shown in the NE 1/4 NE 1/4 of Section 14, T10S, R22E, S.L.B.&M., Uintah County, Utah.

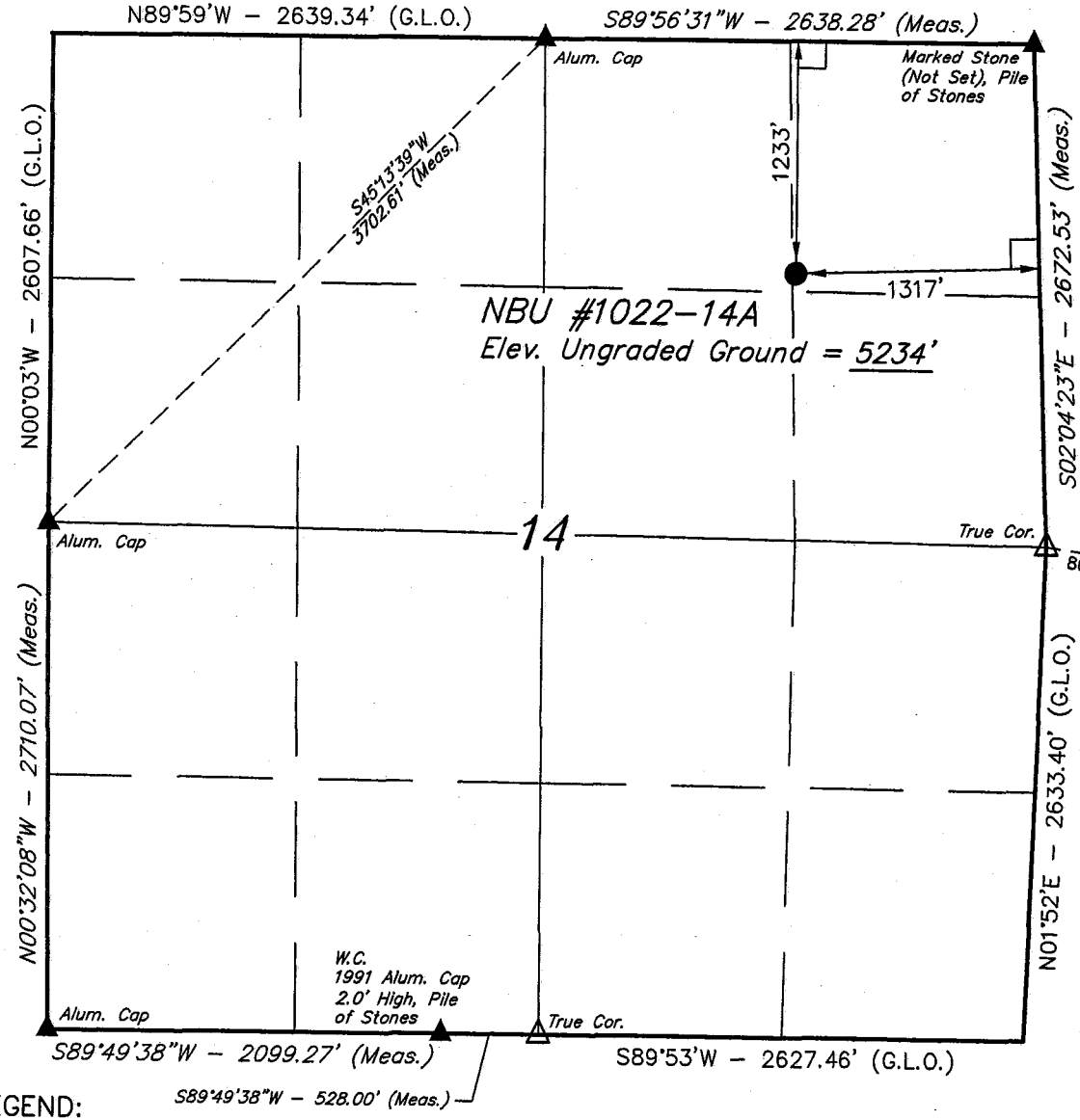
BASIS OF ELEVATION

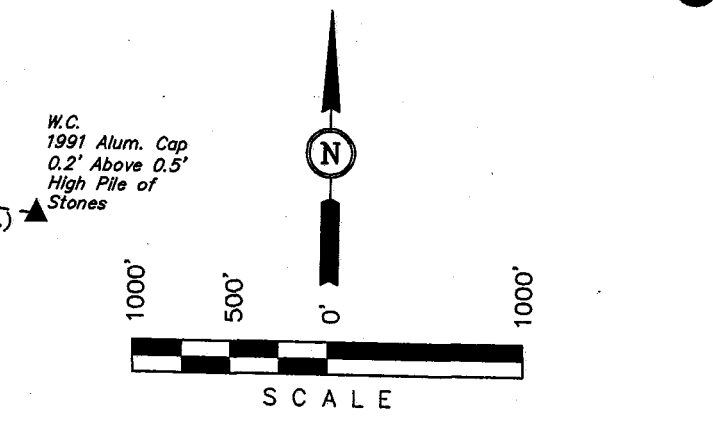
TWO WATER TRIANGULATION STATION LOCATED IN THE NW 1/4 OF SECTION 1, T10S, R21E, S.L.B.&M., TAKEN FROM THE BIG PACK MTN NE, QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5238 FEET.

BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.

T10S, R22E, S.L.B.&M.





CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

LEGEND:

- └ = 90° SYMBOL
- ● = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.
- △ = SECTION CORNERS RE-ESTABLISHED. (Not Set on Ground)

(NAD 83)
LATITUDE = 39°57'10.19" (39.952831)
LONGITUDE = 109°24'08.55" (109.402375)
(NAD 27)
LATITUDE = 39°57'10.31" (39.952864)
LONGITUDE = 109°24'06.10" (109.401694)

UINTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST - VERNAL, UTAH 84078
(435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 02-21-07	DATE DRAWN: 02-27-07
PARTY D.K. M.B. P.M.	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE Kerr-McGee Oil & Gas Onshore LP	

NBU 1022-14A
NE/NE SEC. 14, T10S, R22E
UINTAH COUNTY, UTAH
UTSTUO-01197-A-ST

ONSHORE ORDER NO. 1

DRILLING PROGRAM

1. **Estimated Tops of Important Geologic Markers:**

Formation	Depth
Uinta	0- Surface
Green River	965'
Top of Birds Nest Water	1317'
Mahogany	1673'
Wasatch	4062'
Mesaverde	6303'
MVU2	7226'
MVL1	7747'
TD	8330'

2. **Estimated Depths of Anticipated Water, Oil, Gas, or Mineral Formations:**

Substance	Formation	Depth
	Green River	965'
Water	Top of Birds Nest Water	1317'
	Mahogany	1673'
Gas	Wasatch	4062'
Gas	Mesaverde	6303'
Gas	MVU2	7226'
Gas	MVL1	7747'
Water	N/A	
Other Minerals	N/A	

3. **Pressure Control Equipment** (Schematic Attached)

Please refer to the attached Drilling Program.

4. **Proposed Casing & Cementing Program:**

Please refer to the attached Drilling Program.

1. to surf. w/ 90%

5. **Drilling Fluids Program:**

Please refer to the attached Drilling Program.

The operator will use fresh water mud with 0-8% Bio Diesel.

6. **Evaluation Program:**

Please refer to the attached Drilling Program.

7. **Abnormal Conditions:**

Maximum anticipated bottomhole pressure calculated at 8330' TD, approximately equals 5165 psi (calculated at 0.62 psi/foot).

Maximum anticipated surface pressure equals approximately 3332 psi (bottomhole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot).

8. **Anticipated Starting Dates:**

Drilling is planned to commence immediately upon approval of this application.

9. **Variances:**

Please refer to the attached Drilling Program.

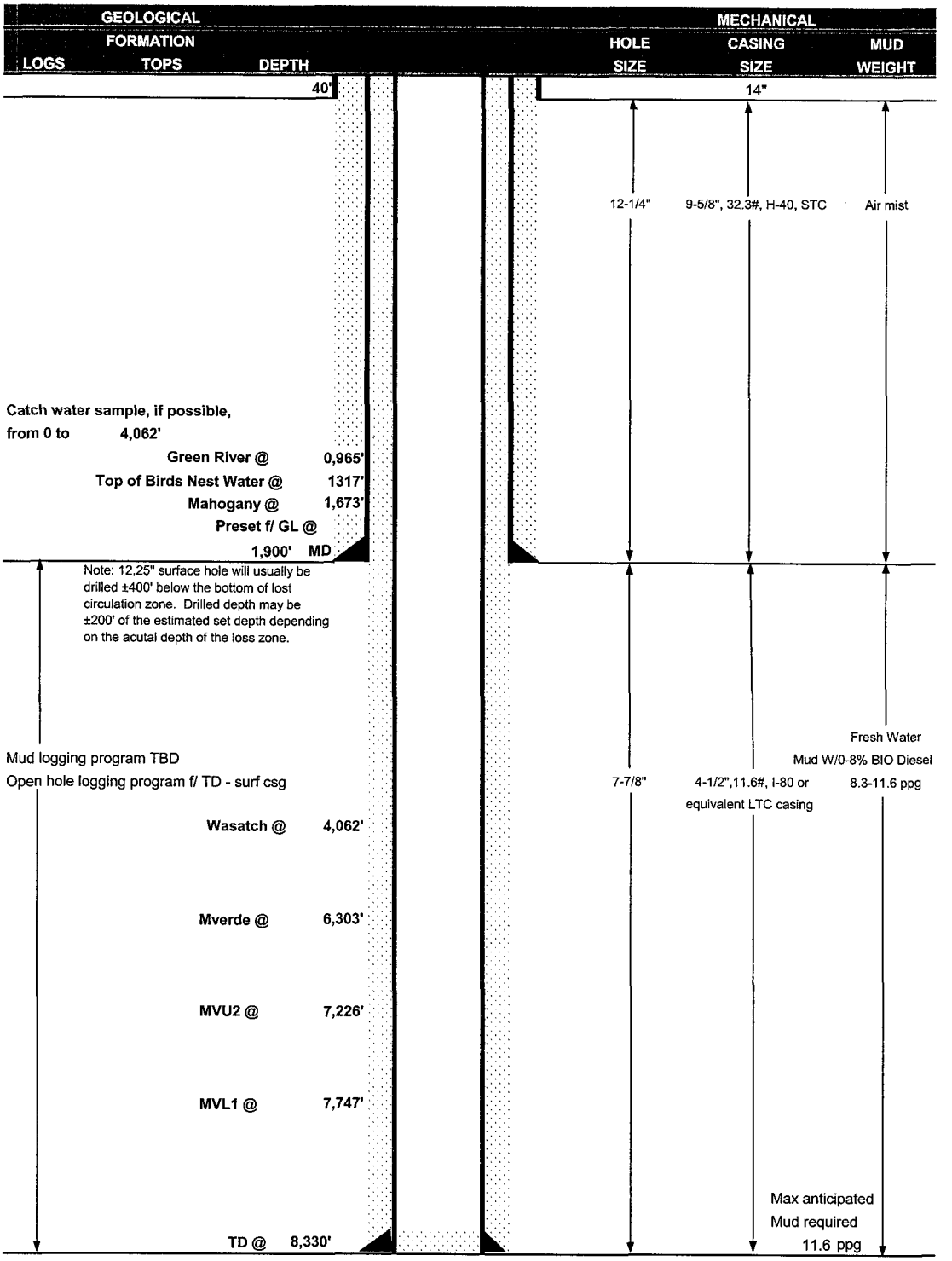
10. **Other Information:**

Please refer to the attached Drilling Program.

KERR-McGEE OIL & GAS ONSHORE LP

DRILLING PROGRAM

COMPANY NAME	KERR-McGEE OIL & GAS ONSHORE LP			DATE	August 7, 2007		
WELL NAME	**NBU 1022-14A**			TD	8,330' MD/TVD		
FIELD	Natural Buttes	COUNTY	Uintah	STATE	Utah	ELEVATION	5,233' GL KB 5,248'
SURFACE LOCATION	NE/NE SEC. 14, T10S, R22E 1233'FNL, 1317'FEL					BHL	Straight Hole
	Latitude: 39.952831 Longitude: 109.402375						
OBJECTIVE ZONE(S)	Wasatch/Mesaverde						
ADDITIONAL INFO	Regulatory Agencies: UDOGM (SURF & MINERALS), BLM, Tri-County Health Dept.						



KERR-McGEE OIL & GAS ONSHORE LP

DRILLING PROGRAM

CASING PROGRAM

	SIZE	INTERVAL			WT.	GR.	CPLG.	DESIGN FACTORS BURST	COLLAPSE	TENSION
CONDUCTOR	14"	0-40'								
								2270	1370	254000
SURFACE	9-5/8"	0	to	1900	32.30	H-40	STC	0.71********	1.54	4.73
								7780	6350	201000
PRODUCTION	4-1/2"	0	to	8330	11.60	I-80	LTC	2.44	1.26	2.38

1) Max Anticipated Surf. Press.(MASP) (Surface Casing) = (Pore Pressure at next csg point-(0.22 psi/ft-partial evac gradient x TVD of next csg point)

2) MASP (Prod Casing) = Pore Pressure at TD - (.22 psi/ft-partial evac gradient x TD)

(Burst Assumptions: TD = 11.6 ppg) .22 psi/ft = gradient for partially evac wellbore

(Collapse Assumption: Fully Evacuated Casing, Max MW) (Tension Assumptions: Air Weight of Casing*Buoy.Fact. of water)

MASP 3192 psi

******** Burst SF is low but csg is much stronger than formation at 2000'. EMW @ 2000' for 2270# is 21.8 ppg or 1.13 psi/ft

CEMENT PROGRAM

		FT. OF FILL	DESCRIPTION	SACKS	EXCESS	WEIGHT	YIELD
SURFACE	LEAD	500	Premium cmt + 2% CaCl + .25 pps flocele	215	60%	15.60	1.18
Option 1	TOP OUT CMT (1)	200	20 gals sodium silicate + Premium cmt + 2% CaCl + .25 pps flocele	50		15.60	1.18
	TOP OUT CMT (2)	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
SURFACE		**NOTE: If well will circulate water to surface, option 2 will be utilized**					
Option 2	LEAD	1500	Prem cmt + 16% Gel + 10 pps gilsonite +.25 pps Flocele + 3% salt BWOC	170	35%	11.00	3.82
	TAIL	500	Premium cmt + 2% CaCl + .25 pps flocele	180	35%	15.60	1.18
	TOP OUT CMT	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
PRODUCTION	LEAD	3,560'	Premium Lite II + 3% KCl + 0.25 pps celloflake + 5 pps gilsonite + 10% gel + 0.5% extender	390	60%	11.00	3.38
	TAIL	4,770'	50/50 Poz/G + 10% salt + 2% gel +.1% R-3	1340	60%	14.30	1.31

*Substitute caliper hole volume plus 0% excess for LEAD if accurate caliper is obtained

*Substitute caliper hole volume plus 10% excess for TAIL if accurate caliper is obtained

FLOAT EQUIPMENT & CENTRALIZERS

SURFACE	Guide shoe, 1 jt, insert float. Centralize first 3 joints with bow spring centralizers. Thread lock guide shoe.
PRODUCTION	Float shoe, 1 jt, float collar. Centralize first 3 joints & every third joint to top of tail cement with bow spring centralizers.

ADDITIONAL INFORMATION

Test casing head to 750 psi after installing. Test surface casing to 1,500 psi prior to drilling out.

BOPE: 11" 5M with one annular and 2 rams. Test to 5,000 psi (annular to 2,500 psi) prior to drilling out. Record on chart recorder & tour sheet. Function test rams on each trip. Maintain safety valve & inside BOP on rig floor at all times. Kelly to be equipped with upper & lower kelly valves.

Drop Totco surveys every 2000'. Maximum allowable hole angle is 5 degrees.

Most rigs have PVT Systems for mud monitoring. If no PVT is available, visual monitoring will be utililzed.

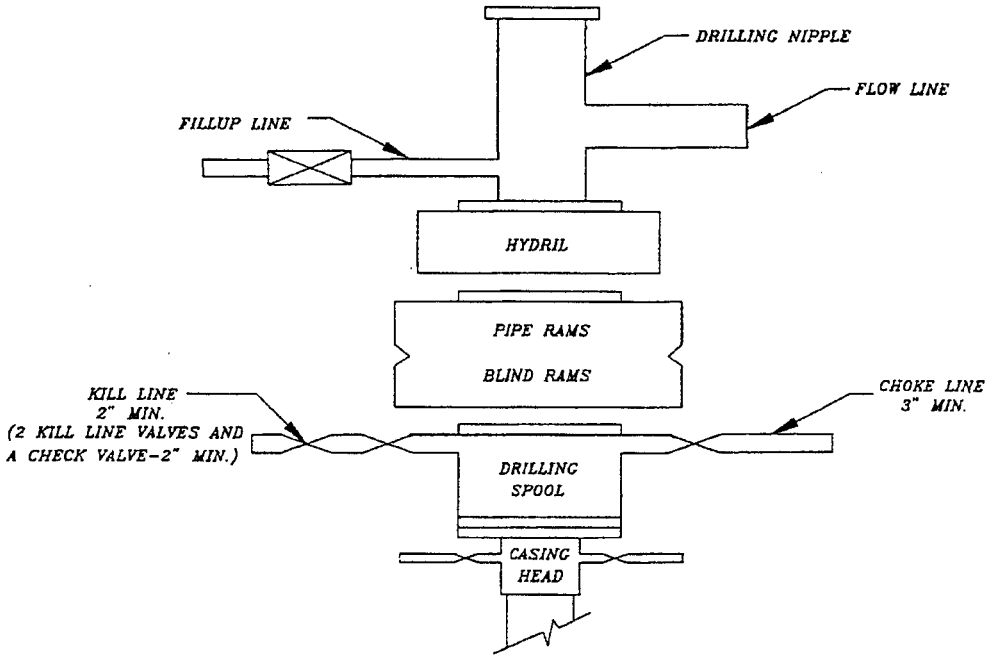
DRILLING ENGINEER: _____ **DATE:** _____

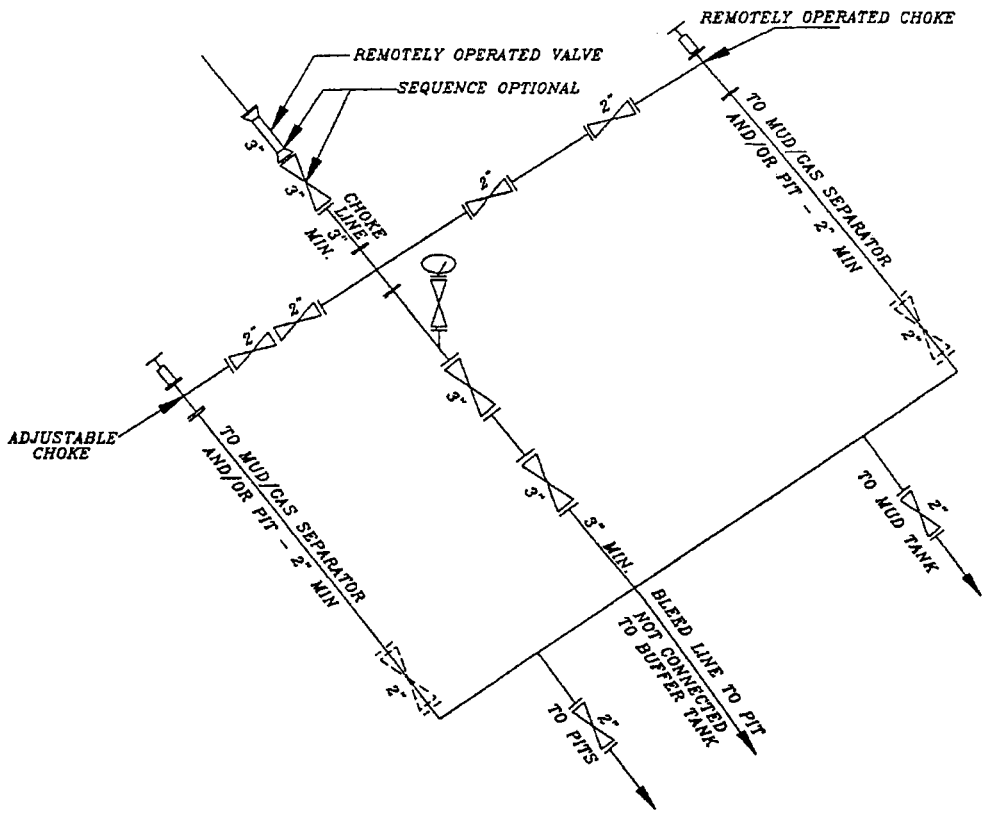
Brad Laney

DRILLING SUPERINTENDENT: _____ **DATE:** _____

Randy Bayne

5M BOP STACK and CHOKE MANIFOLD SYSTEM





NBU 1022-14A
NE/NE SEC. 14, T10S, R22E
Uintah County, UT
UT ST UO-01197-A-ST

ONSHORE ORDER NO. 1

MULTI-POINT SURFACE USE & OPERATIONS PLAN

1. **Existing Roads:**

Refer to Topo Map A for directions to the location.

Refer to Topo Maps A and B for location of access roads within a 2-mile radius.

Refer to Topo Maps A and B for location of access roads within a 2 mile radius.

All existing roads will be maintained and kept in good repair during all drilling and completion operations associated with this well.

2. **Planned Access Roads:**

Approximately 0.15 +/- miles of new access road is proposed. Refer to Topo Map B for the location of the proposed access road.

The upgraded and new portions of the access road will be crowned and ditched with a running surface of 18 feet and a maximum disturbed width of 30 feet. Appropriate water control will be installed to control erosion.

Existence of pipelines; maximum grade; turnouts; major cut and fills, culverts, or bridges; gates, cattle guards, fence cuts, or modifications to existing facilities were determined at the on-site.

The access road was centerline flagged during time of staking.

Surfacing material may be necessary, depending upon weather conditions.

Surface disturbance and vehicular traffic will be limited to the approved location and approved access route. Any additional area needed will be approved in advance.

3. **Location of Existing Wells Within a 1-Mile Radius:**

Please refer to Topo Map C.

4. **Location of Existing & Proposed Facilities:**

The following guidelines will apply if the well is productive.

All production facilities will be located on the disturbed portion of the well pad and at a minimum of 25 feet from the toe of the back slope or the top of the fill slope.

A dike will be constructed completely around those production facilities which contain

fluids (i.e., production tanks, produced water tanks, and/or heater/treater). These dikes will be constructed of compacted subsoil, be impervious, hold 100% of the capacity of the largest tank, and be independent of the back cut.

All permanent (on-site six months or longer) above the ground structures constructed or installed, including pumping units, will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the five state Rocky Mountain Inter-Agency Committee.

All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded. The required color is Carlsbad Canyon, standard color number 2.5Y 6/2.

Any necessary pits will be properly fenced to protect livestock and prevent wildlife entry.

Approximately 1,350 +/- of 4" steel pipeline is proposed Please refer to the attached Topo Map D for pipeline placement.

5. Location and Type of Water Supply:

Water for drilling purposes will be obtained from Dalbo Inc.'s underground well located in Ouray, Utah, Sec. 32, T4S, R3E, Water User Claim #43-8496, Application #53617.

Water will be hauled to location over the roads marked on Maps A and B.

No water well is to be drilled on this lease.

6. Source of Construction Materials:

Surface and subsoil materials in the immediate area will be utilized.

Any gravel will be obtained from a commercial source.

7. Methods of Handling Waste Materials:

Drill cuttings will be contained and buried in the reserve pit.

Drilling fluids, including salts and chemicals, will be contained in the reserve pit. Upon termination of drilling and completion operations, the liquid contents of the reserve pit will be removed and disposed of at an approved waste disposal facility within 120 days after drilling is terminated.

The reserve pit will be constructed on the location and will not be located within natural drainage, where a flood hazard exists or surface runoff will destroy or damage the pit walls. The reserve pit will be constructed so that it will not leak, break, or allow discharge of liquids.

A plastic reinforced liner and felt will be used, it will be a minimum of 20 mil thick, with sufficient bedding used to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash or scrap that could puncture the liner will be disposed of in the pit.

Any spills of oil, gas, salt water, or other noxious fluids will be immediately cleaned up and removed to an approved disposal site.

A chemical porta-toilet will be furnished with the drilling rig.

Garbage, trash, and other waste materials will be collected in a portable, self-contained, fully enclosed trash cage during operations. No trash will be burned on location.

All debris and other waste material not contained in the trash cage will be cleaned up and removed from the location immediately after removal of the drilling rig.

Any open pits will be fenced during the operations. The fencing will be maintained until such time as the pits are backfilled.

No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

Any produced water from the proposed well will be contained in a water tank and will then be hauled By truck to one of the pre-approved disposal sites: RNI, Sec. 5, T9S, R22E, NBU #159, Sec. 35, T9S, R21E, Ace Oilfield, Sec. 2, T6S, R20E, MC&MC, Sec. 12, T6S, R19E.

8. **Ancillary Facilities:**

None are anticipated.

9. **Well Site Layout:** (See Location Layout Diagram)

The attached Location Layout Diagram describes drill pad cross-sections, cuts and fills, and locations of the mud tanks, reserve pit, flare pit, pipe racks, trailer parking, spoil dirt stockpile(s), and surface material stockpile(s).

Please see the attached diagram to describe rig orientation, parking areas, and access roads.

The reserve pit will be lined, and when the reserve pit is closed, the pit liner will be buried below plow depth.

All pits will be fenced according to the following minimum standards:

39 inch net wire will be used with at least one strand of barbed wire on top of the net wire. Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.

The net wire shall be no more than two inches above the ground. The barbed wire shall be three inches over the net wire. Total height of the fence shall be at least 42 inches.

Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.

Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any 2 fence posts shall be no greater than 16 feet.

All wire shall be stretched, by using a stretching device, before it is attached to corner posts.

The reserve pit fencing will be on three sides during drilling operations, and on the fourth side when the rig moves off location. Pits will be fenced and maintained until cleanup.

Location size may change prior to the drilling of the well due to current rig availability. If the proposed location is not large enough to accommodate the drilling rig the location will be re-surveyed
and a Form 9 shall be submitted.

10. Plans for Reclamation of the Surface:

Producing Location:

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, materials, trash, and debris not required for production.

Immediately upon well completion, any hydrocarbons in the pit shall be removed in accordance with 43 CFR 3162.7-1.

A plastic, nylon reinforced liner will be used, it shall be torn and perforated before backfilling of the reserve pit.

Before any dirt work associated with location restoration takes place, the reserve pit shall be as dry as possible. All debris in it will be removed. Other waste and spoil materials will be disposed of immediately upon completion of operations.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The reserve pit will be reclaimed within 90 days from the date of well completion, weather permitting.

To prevent surface water (s) from standing (ponding) on the reclaimed reserve pit area, final reclamation of the reserve pit will consist of "mounding" the surface three feet above surrounding ground surface to allow the reclaimed pit area to drain effectively.

Upon completion of backfilling, leveling, and recontouring, the stockpiled topsoil will be spread evenly over the reclaimed area(s).

Dry Hole/Abandoned Location:

Abandoned well sites, roads, and other disturbed areas will be restored as near as practical to their original condition. Where applicable, these conditions include the re-establishment of irrigation systems, the re-establishment of appropriate soil conditions, and re-establishment of vegetation as specified.

All disturbed surfaces will be recontoured to the approximate natural contours, with reclamation of the well pad and access road to be performed as soon as practical after final abandonment. Reseeding operations will be performed after completion of other reclamation operations.

11. **Surface Ownership:**

SITLA
675 East 500 South, Suite 500
Salt Lake City, UT 84102

12. **Other Information:**

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, the approved Plan of Operations, and any applicable Notice of Lessees. The Operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance.

The Operator will control noxious weeds along Rights-Of-Way for roads, pipelines, well sites, or other applicable facilities.

A Class III archaeological survey will be submitted when report becomes available.

13. **Lessee's or Operators's Representative & Certification:**

Sheila Upchego
Senior Land Admin Specialist
Kerr-McGee Oil & Gas Onshore LP
1368 South 1200 East.
Vernal, UT 84078
(435) 781-7024

Randy Bayne
Drilling Manager
Kerr-McGee Oil & Gas Onshore LP
1368 South 1200 East
Vernal, UT 84078
(435)781-7018

Certification: All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice to Lessees.

The Operator will be fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

Kerr-McGee Oil & Gas Onshore LP is considered to be the operator of the subject well. Kerr-McGee Oil & Gas Onshore LP agrees to be responsible under terms and conditions of the lease for the operations conducted upon leased lands.

Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided by State Surety Bond #RLB0005237.

I hereby certify that I, or persons under my supervision, have inspected the proposed drill site and access route, that I am familiar with the conditions that currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and the work associated with the operations proposed herein will be performed by the Operator, its contractors, and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

Sheila Upchego

8/7/2007
Date

Kerr-McGee Oil & Gas Onshore LP
NBU #1022-14A
SECTION 14, T10S, R22E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 11.2 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 12.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 0.6 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN LEFT AND PROCEED IN A NORTHEASTERLY, THEN EASTERLY DIRECTION APPROXIMATELY 1.4 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN LEFT AND PROCEED IN A NORTHEASTERLY, THEN NORTHERLY DIRECTION APPROXIMATELY 2.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN RIGHT AND PROCEED IN A NORTHEASTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 0.2 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE NORTHEAST; FOLLOW ROAD FLAGS IN A NORTHEASTERLY DIRECTION APPROXIMATELY 0.15 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 59.15 MILES.

Kerr-McGee Oil & Gas Onshore LP

NBU #1022-14A

LOCATED IN UINTAH COUNTY, UTAH
SECTION 14, T10S, R22E, S.L.B.&M.

PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

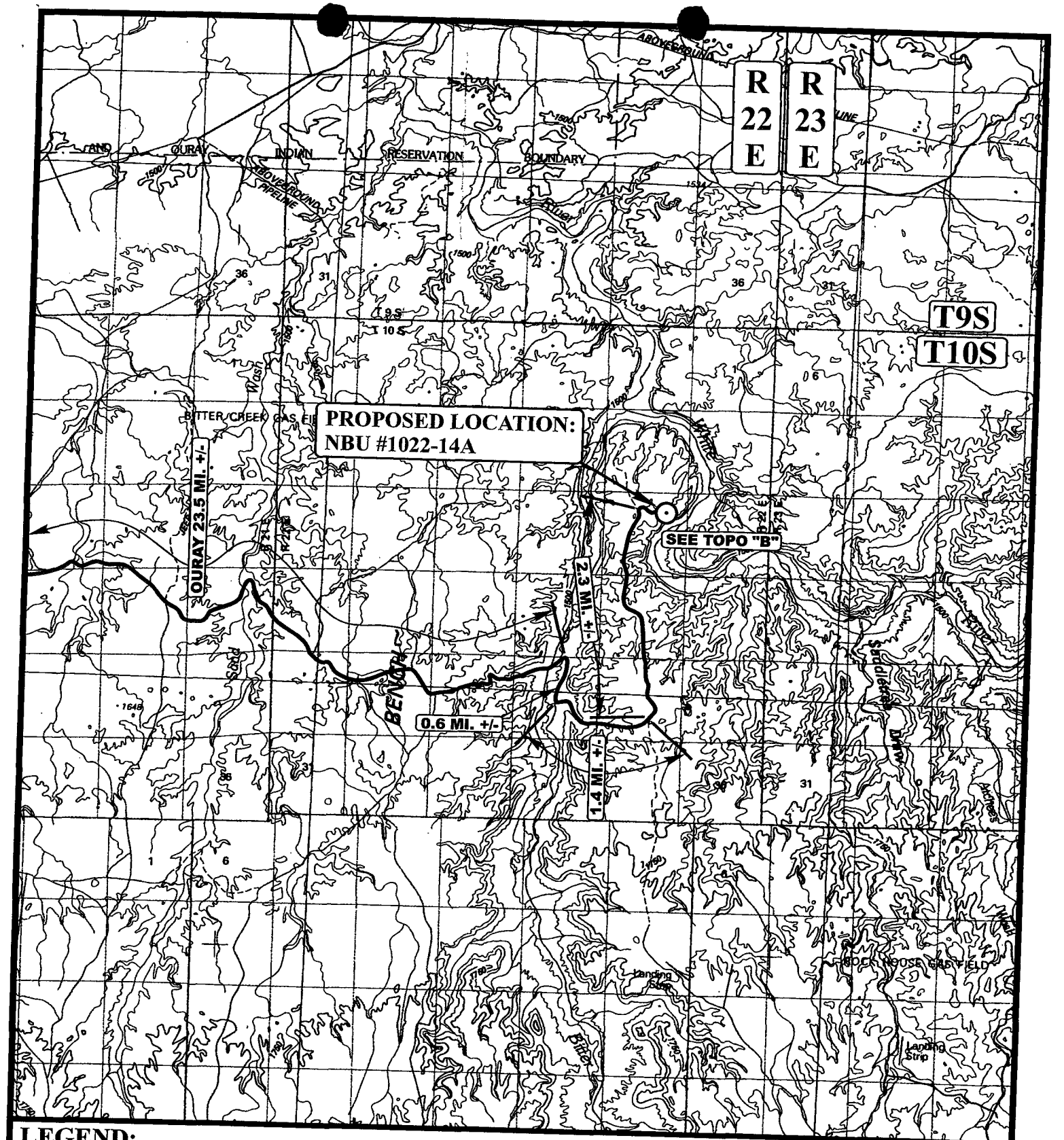
CAMERA ANGLE: NORTHERLY

PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: EASTERLY

- Since 1964 -
Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS	02 MONTH	23 DAY	07 YEAR	PHOTO
TAKEN BY: D.K.	DRAWN BY: C.P.	REVISED: 00-00-00		



LEGEND:

⊙ PROPOSED LOCATION

N

Kerr-McGee Oil & Gas Onshore LP

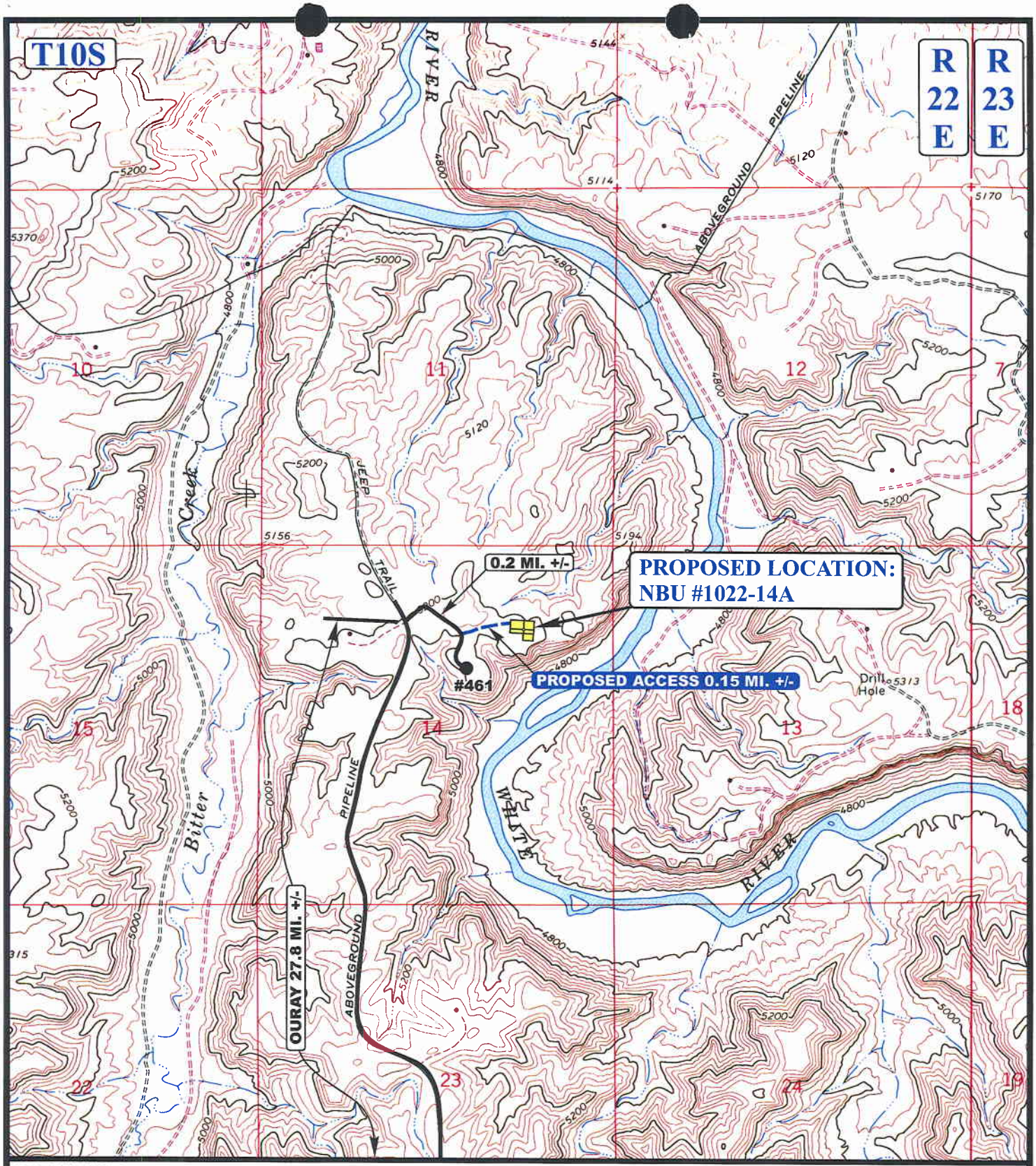
NBU #1022-14A

SECTION 14, T10S, R22E, S.L.B.&M.

1233' FNL 1317' FEL

Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP	02 MONTH	23 DAY	07 YEAR	A TOPO
SCALE: 1:100,000	DRAWN BY: C.P.	REVISED: 00-00-00		



LEGEND:

EXISTING ROAD

PROPOSED ACCESS ROAD

N

Kerr-McGee Oil & Gas Onshore LP

NBU #1022-14A

SECTION 14, T10S, R22E, S.L.B.&M.

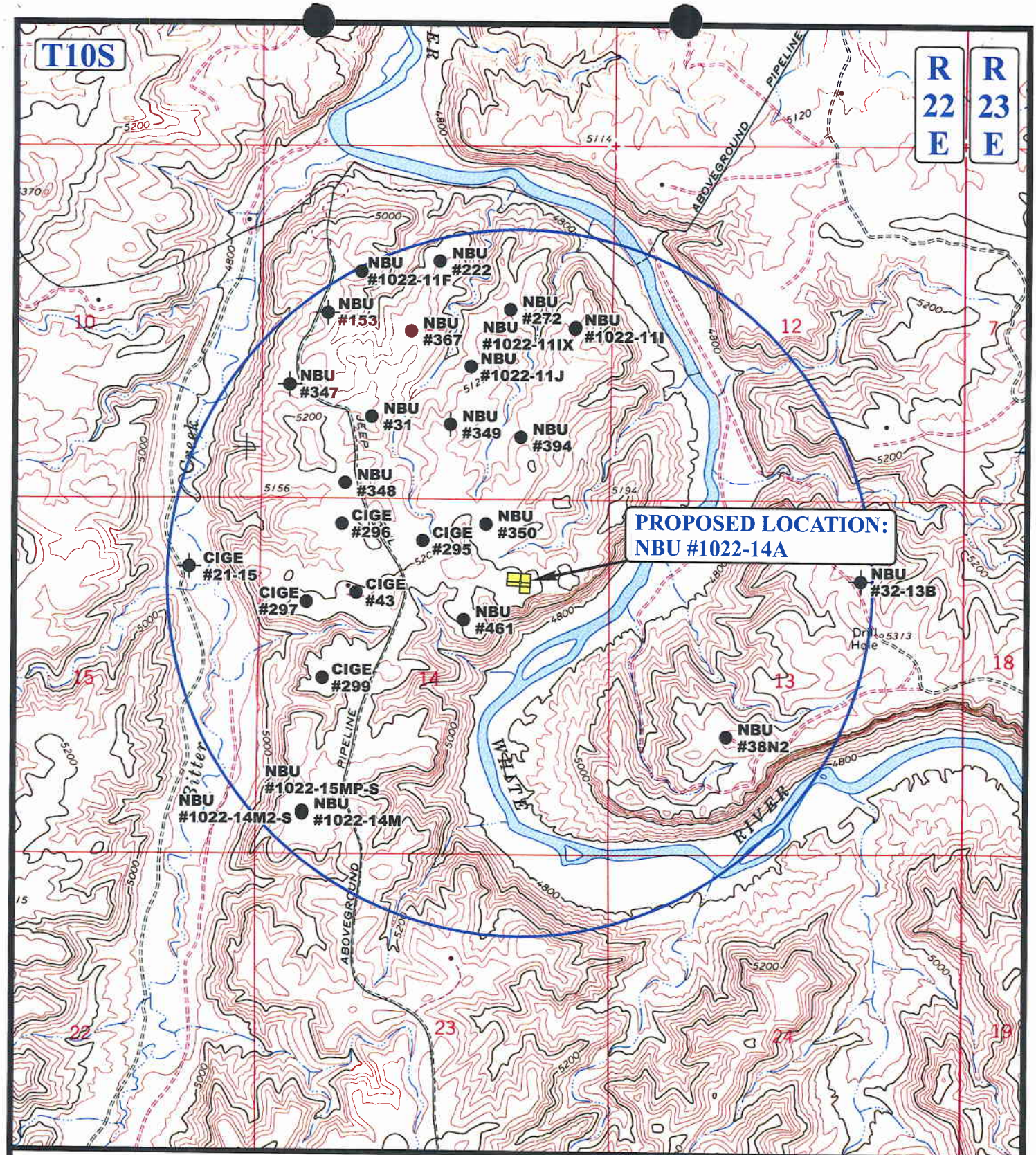
1233' FNL 1317' FEL

Uintah Engineering & Land Surveying

85 South 200 East Vernal, Utah 84078

(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP	02 MONTH	23 DAY	07 YEAR
SCALE: 1" = 2000'	DRAWN BY: C.P.	REVISED: 00-00-00	B TOPO



LEGEND:

- DISPOSAL WELLS
- PRODUCING WELLS
- SHUT IN WELLS
- WATER WELLS
- ABANDONED WELLS
- TEMPORARILY ABANDONED

N

Kerr-McGee Oil & Gas Onshore LP

NBU #1022-14A
SECTION 14, T10S, R22E, S.L.B.&M.
1233' FNL 1317' FEL

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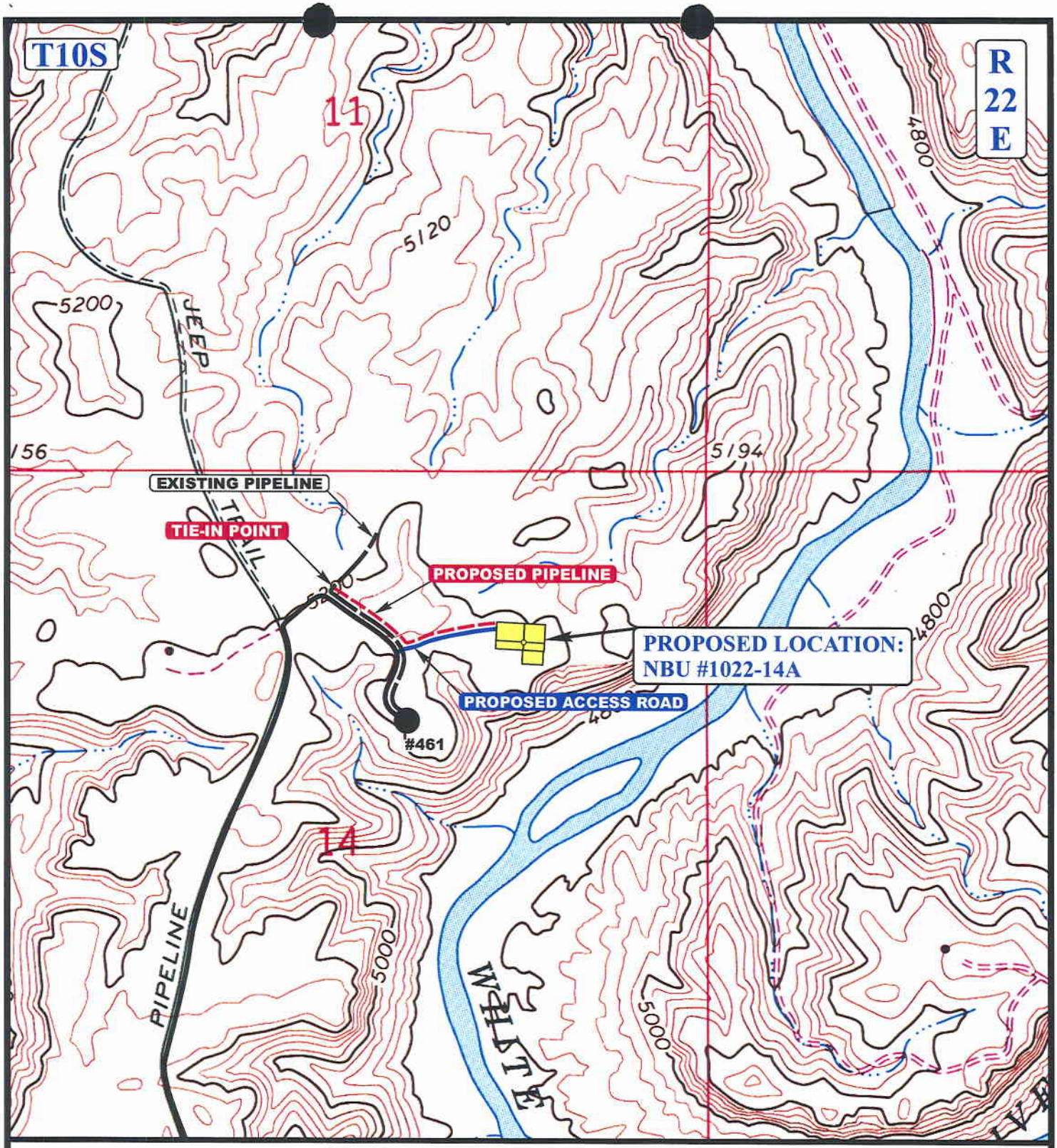
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP	02 MONTH	23 DAY	07 YEAR	C TOPO
SCALE: 1" = 2000'	DRAWN BY: C.P.	REVISED: 00-00-00		



APPROXIMATE TOTAL PIPELINE DISTANCE = 1,350' +/-

LEGEND:

PROPOSED ACCESS ROAD
EXISTING PIPELINE
PROPOSED PIPELINE

N

Kerr-McGee Oil & Gas Onshore LP

NBU #1022-14A
SECTION 14, T10S, R22E, S.L.B.&M.
1233' FNL 1317' FEL

Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP	02 MONTH	23 DAY	07 YEAR	D TOPO
SCALE: 1" = 1000'	DRAWN BY: C.P.	REVISED: 00-00-00		

Kerr-McGee Oil & Gas Onshore LP

NBU #1022-14A

PIPELINE ALIGNMENT

LOCATED IN UINTAH COUNTY, UTAH
SECTION 14, T10S, R22E, S.L.B.&M.

PHOTO: VIEW FROM TIE-IN POINT **CAMERA ANGLE: EASTERLY**

PHOTO: VIEW OF PIPELINE ALIGNMENT **CAMERA ANGLE: WESTERLY**

- Since 1964 -
Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

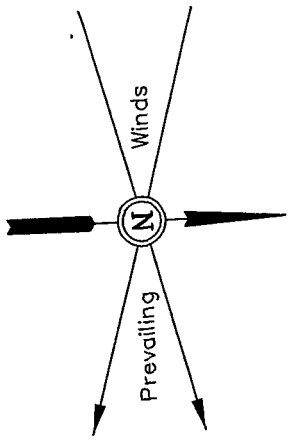
PIPELINE PHOTOS	02 MONTH	23 DAY	07 YEAR	PHOTO
TAKEN BY: D.K.	DRAWN BY: C.P.	REVISED: 00-00-00		

Kerr-McGee Oil & Gas Onshore LP

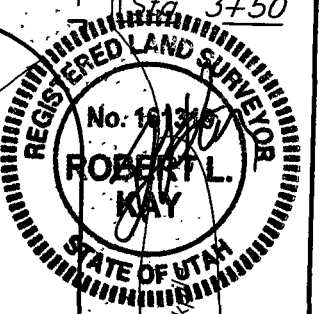
FIGURE #1

LOCATION LAYOUT FOR

NBU #1022-14A
SECTION 14, T10S, R22E, S.L.B.&M.
1233' FNL 1317' FEL



SCALE: 1" = 50'
DATE: 02-27-07
Drawn By: P.M.



Proposed Access Road

C-8.5'
El. 41.5'

F-11.8'
El. 21.2'

Sta. 3+50

C-6.8'
El. 39.8'

Round Corners as Needed

Topsoil Stockpile

Approx. Top of Cut Slope

NOTE:
Flare Pit is to be located a min. of 100' from the Well Head.

Existing Drainage

Pit Topsoil

PIPE TUBS

CATWALK

PIPE RACKS

FLARE PIT

C-7.2'
El. 40.2'

Blooie Line

C-1.1'
El. 34.1'

El. 43.4'
C-20.4'
(btm. pit)

RIG

135'

Sta. 1+50

C-6.7'
El. 39.7'

MUD TANKS

DOG HOUSE

TOILET

F-19.3'
El. 13.7'

LIGHT PLANT

BOILER

COMPRESSOR

TRAILER

WATER TANK

PUMP HOUSE

BOOSTER

Reserve Pit Backfill & Spoils Stockpile

15' WIDE BENCH

RESERVE PITS (10' Deep)

Total Pit Capacity W/2' of Freeboard = 9,850 Bbls. ±
Total Pit Volume = 2,780 Cu. Yds.

SLOPE 1 1/2 : 1

Sta. 0+25

TRASH

C-1.4'
El. 34.4'

PROPANE STORAGE

El. 37.0'
C-14.0'
(btm. pit)

15' WIDE BENCH/DIKE

F-1.6'
El. 31.4'

Sta. 0+00

F-0.7'
El. 32.3'

F-9.8'
El. 23.2'

Approx. Toe of Fill Slope

NOTES:

Elev. Ungraded Ground At Loc. Stake = 5234.1'

FINISHED GRADE ELEV. AT LOC. STAKE = 5233.0'

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

Kerr-McGee Oil & Gas Onshore LP

FIGURE #2

TYPICAL CROSS SECTIONS FOR

NBU #1022-14A

SECTION 14, T10S, R22E, S.L.B.&M.

1233' FNL 1317' FEL

1" = 20'

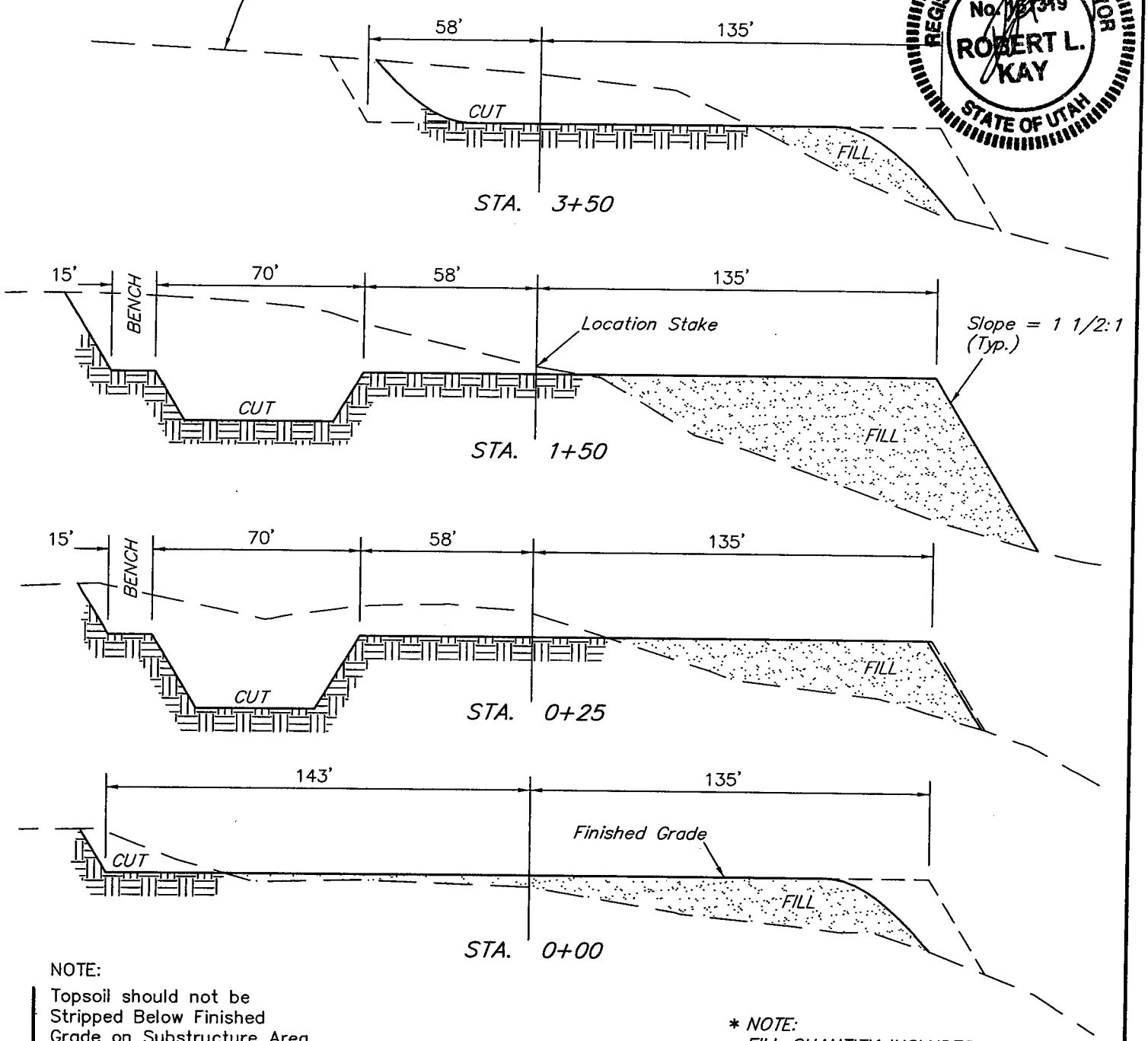
X-Section Scale

1" = 50'

DATE: 02-27-07

Drawn By: P.M.

REGISTERED LAND SURVEYOR No. 161319 ROBERT L. KAY STATE OF UTAH



NOTE:

Topsoil should not be Stripped Below Finished Grade on Substructure Area.

* NOTE:
FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

CUT

(6") Topsoil Stripping = 1,940 Cu. Yds.

Remaining Location = 12,720 Cu. Yds.

TOTAL CUT = 14,660 CU.YDS.

FILL = 11,330 CU.YDS.

EXCESS MATERIAL = 3,330 Cu. Yds.

Topsoil & Pit Backfill (1/2 Pit Vol.) = 3,330 Cu. Yds.

EXCESS UNBALANCE (After Interim Rehabilitation) = 0 Cu. Yds.

UINTAH ENGINEERING & LAND SURVEYING

85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 08/16/2007

API NO. ASSIGNED: 43-047-39524

WELL NAME: NBU 1022-14A
OPERATOR: KERR-MCGEE OIL & GAS (N2995)
CONTACT: SHEILA UPCHEGO

PHONE NUMBER: 435-781-7024

PROPOSED LOCATION:
NENE 14 100S 220E
SURFACE: 1233 FNL 1317 FEL
BOTTOM: 1233 FNL 1317 FEL
COUNTY: UINTAH
LATITUDE: 39.95280 LONGITUDE: -109.4018
UTM SURF EASTINGS: 636526 NORTHINGS: 4423531
FIELD NAME: NATURAL BUTTES (630)

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering	DKD	10/23/07
Geology		
Surface		

LEASE TYPE: 3 - State
LEASE NUMBER: STUO01197-AST
SURFACE OWNER: 3 - State

PROPOSED FORMATION: WSMVD
COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

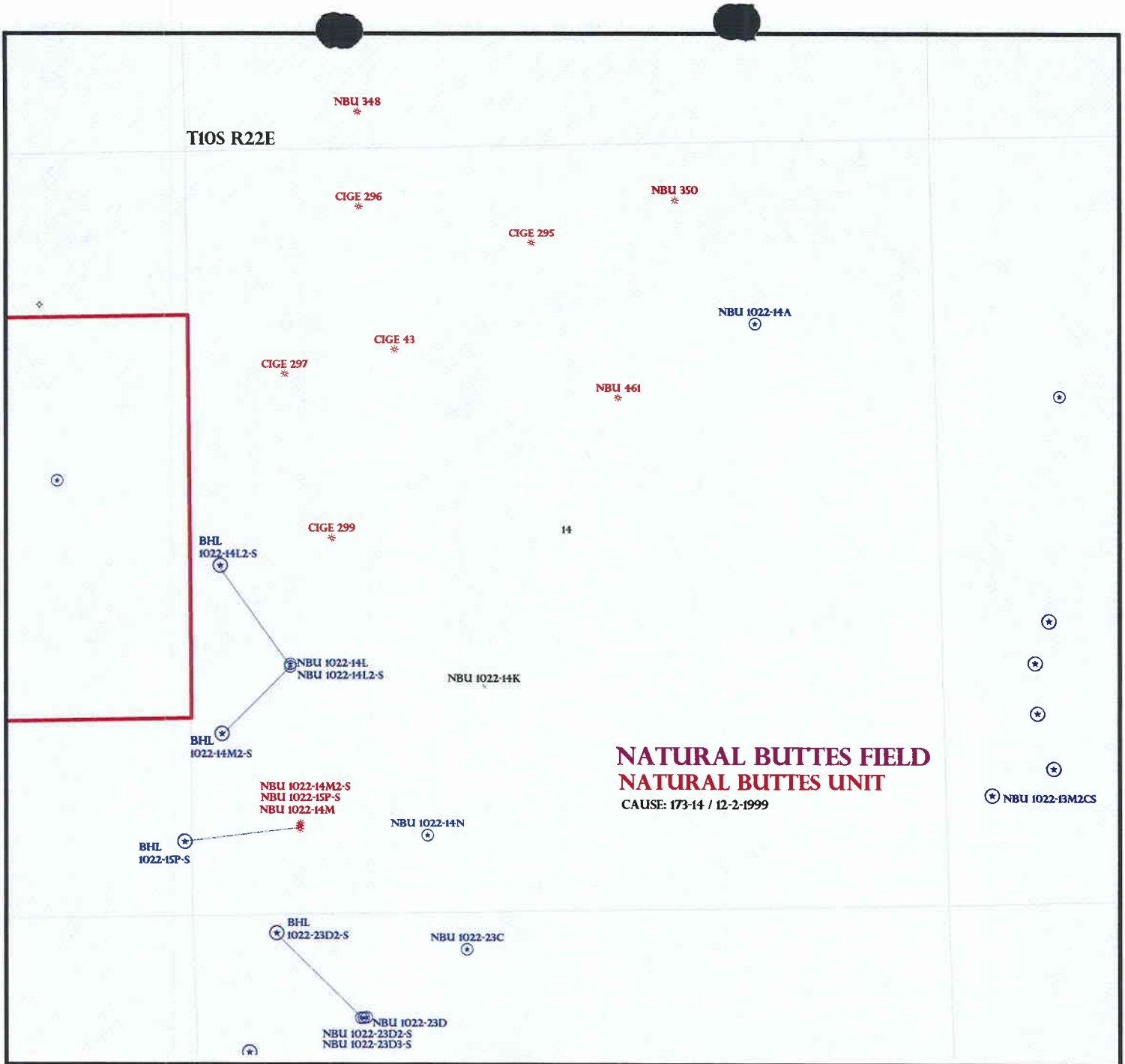
✓ Plat
✓ Bond: Fed[] Ind[] Sta[] Fee[]
(No. 22013542)
N Potash (Y/N)
Y Oil Shale 190-5 (B) or 190-3 or 190-13
✓ Water Permit
(No. 43-8496)
N RDCC Review (Y/N)
(Date:)
NA Fee Surf Agreement (Y/N)
NA Intent to Commingle (Y/N)

LOCATION AND SITING:

___ R649-2-3.
Unit: NATURAL BUTTES
___ R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
___ R649-3-3. Exception
✓ Drilling Unit
Board Cause No: 173-14
Eff Date: 12-2-99
Siting: 460' fr u bdrg & uncomm. tract
___ R649-3-11. Directional Drill

COMMENTS: Needs Presite (09-19-07)

STIPULATIONS: 1- STATEMENT OF BASIS
2- OIL SHALE
3- Surface Csg Cmt Stip



OPERATOR: KERR MCGEE O&G (N2995)

SEC: 14 T.10S R. 22E

FIELD: NATURAL BUTTES (630)

COUNTY: UINTAH

CAUSE: 173-14 / 12-2-1999

Field Status
- ABANDONED
- ACTIVE
- COMBINED
- INACTIVE
- PROPOSED
- STORAGE
- TERMINATED

Unit Status
- EXPLORATORY
- GAS STORAGE
- NF PP OIL
- NF SECONDARY
- PENDING
- PI OIL
- PP GAS
- PP GEOTHERML
- PP OIL
- SECONDARY
- TERMINATED

Wells Status
- GAS INJECTION
- GAS STORAGE
- LOCATION ABANDONED
- NEW LOCATION
- PLUGGED & ABANDONED
- PRODUCING GAS
- PRODUCING OIL
- SHUT-IN GAS
- SHUT-IN OIL
- TEMP. ABANDONED
- TEST WELL
- WATER INJECTION
- WATER SUPPLY
- WATER DISPOSAL
- DRILLING

UTAH DNR
OIL, GAS & MINING

N
W E
S

PREPARED BY: DIANA MASON
DATE: 20-AUGUST-2007

Application for Permit to Drill
Statement of Basis

APD No	API WellNo	Status	Well Type	Surf Ownr	CBM
529	43-047-39524-00-00		GW	S	No

Operator KERR-MCGEE OIL & GAS ONSHORE, LP **Surface Owner-APD**
Well Name NBU 1022-14A **Unit** NATURAL BUTTES
Field NATURAL BUTTES **Type of Work**
Location NENE 14 10S 22E S 1233 FNL 1317 FEL GPS Coord (UTM) 636526E 4423531N

Geologic Statement of Basis

Kerr McGee proposes to set 1,900' of surface casing at this location. The depth to the base of the moderately saline water at this location is estimated to be at a depth of 4,200'. A search of Division of Water Rights records shows no water wells within a 10,000 foot radius of the center of Section 14. The surface formation at this site is the Uinta Formation. The Uinta Formation is made up of interbedded shales and sandstones. The sandstones are mostly lenticular and discontinuous and should not be a significant source of useable ground water. Production casing cement should be brought up above the base of the moderately saline ground water to isolate it from fresher waters uphole.

Brad Hill	9/25/2007
APD Evaluator	**Date / Time**

Surface Statement of Basis

The general area is Archy Bench located southwest of the White River in Uintah County, Utah. Vernal, Utah is approximately 37 miles to the northwest and Bonanza, Utah approximately 12 miles to the northeast. Bitter Creek is to the west and the White River parallels the bench to the east. The topography in the area is characterized by steep sidehills bordering winding narrow to moderately narrow draws. Many side-slopes are rimmed with sandstone bedrock forming vertical cliffs. Numerous small side draws lead away from the main divides. Except for the White River, all drainages are ephemeral only flowing during winter snowmelt and following intense summer rainstorms. Roads are commonly constructed on tops of the ridges or in the bottom of the washes. Here they are subject to washing out following runoff events. Erosion from side-slopes is moderate. No streams seeps or springs are known to exist in the area.

The proposed NBU 1022-14A gas well is approximately 28 road miles southeast of Ouray, Utah accessed by Uintah County and existing oilfield roads to within approximately 0.15 miles of the site where a new road will be constructed to the location.

The location is on top of and near the north end of Archy Bench. On the east side of the proposed location, the reserve pit begins approximately 110 feet west of the near vertical walls of the White River. The ridge top is generally flat in this area but breaks off to the northeast beyond the north end of the pit. The location runs along this narrow ridge-top, which also slopes of moderately steep to the west into a major draw about 1/8 mile away. This draw runs north into the White River. Pad construction will excavate off the top of the ridge with fill up to 19 feet deep occurring on the west. Also a rounded deep swale leaves immediately west of the center stake and will be filled during location construction. No drainage diversions are needed.

Both the surface and minerals are owned by SITLA. Jim Davis represented SITLA at the pre-site investigation. Mr. Davis had no concerns pertaining to this location. The selected location appears to be the only site for drilling and operating a well in the immediate area.

The location is perched on ridge above the White River. The need to insure that no leaks from the reserve occur was stressed. Mr. Estes of Kerr McGee, agreed to line the pit with a double 20 mil liner and conduct at least daily moniter the pit for leaks.

Floyd Bartlett	9/19/2007
Onsite Evaluator	**Date / Time**

Conditions of Approval / Application for Permit to Drill

Category	Condition
Pits	A double synthetic liner each with a minimum thickness of 20 mils with a felt an appropriane thickness of subliner shall be properly installed and maintained in the reserve pit. The pit and surrounding area must be monitored at least daily for leaks.

ON-SITE PREDRILL EVALUATION

Utah Division of Oil, Gas and Mining

Operator KERR-MCGEE OIL & GAS ONSHORE, LP
Well Name NBU 1022-14A
API Number 43-047-39524-0 **APD No** 529 **Field/Unit** NATURAL BUTTES
Location: 1/4,1/4 NENE **Sec** 14 **Tw** 10S **Rng** 22E 1233 FNL 1317 FEL
GPS Coord (UTM) 636524 4423516 **Surface Owner**

Participants

Floyd Bartlett (DOGM), Jim Davis (SITLA), Carroll Estes, Tony Kazeck, and Clay Einerson (Kerr McGee), Luke Kay (Uintah Engineering and Land Surveying), and Ben Williams and Daniel Emmitt (UDWR)

Regional/Local Setting & Topography

The general area is Archy Bench located southwest of the White River in Uintah County, Utah. Vernal, Utah is approximately 37 miles to the northwest and Bonanza, Utah approximately 12 miles to the northeast. Bitter Creek is to the west and the White River parallels the bench to the east. The topography in the area is characterized by steep sidehills bordering winding narrow to moderately narrow draws. Many side-slopes are rimmed with sandstone bedrock forming vertical cliffs. Numerous small side draws lead away from the main divides. Except for the White River, all drainages are ephemeral only flowing during winter snowmelt and following intense summer rainstorms. Roads are commonly constructed on tops of the ridges or in the bottom of the washes. Here they are subject to washing out following runoff events. Erosion from side-slopes is moderate. No streams, seeps or springs are known to exist in the area.

The proposed NBU 1022-14A gas well is approximately 28 road miles southeast of Ouray, Utah accessed by Uintah County and existing oilfield roads to within approximately 0.15 miles of the site where a new road will be constructed to the location.

The location is on top of and near the north end of Archy Bench. On the east side of the proposed location, the reserve pit begins approximately 110 feet west of the near vertical walls of the White River. The ridge top is generally flat in this area but breaks off to the northeast beyond the north end of the pit. The location runs along this narrow ridge-top, which also slopes of moderately steep to the west into a major draw about 1/8 mile away. This draw runs north into the White River. Pad construction will excavate off the top of the ridge with fill up to 19 feet deep occurring on the west. Also a rounded deep swale leaves immediately west of the center stake and will be filled during location construction.

Both the surface and minerals are owned by SITLA.

Surface Use Plan

Current Surface Use
Grazing
Recreational

New Road Miles	Well Pad		Src Const Material	Surface Formation
0.15	**Width** 278	**Length** 350	Onsite	UNTA

Ancillary Facilities N

Waste Management Plan Adequate? Y

Environmental Parameters

Affected Floodplains and/or Wetland N

Flora / Fauna

Fair cover of vegetation exists consisting of black sagebrush, cheatgrass , Indian ricegrass, curly mesquite and broom snakeweed. .

Antelope, rabbits, coyotes, and small mammals, birds and raptors.

Soil Type and Characteristics

Shallow rocky sandy loam.

Erosion Issues N

Sedimentation Issues N

Site Stability Issues Y

Reserve pit must be constructed and maintained so no leaks occur. Location is perched on ridge above the White River.

Drainage Diverson Required N

Berm Required? N

Erosion Sedimentation Control Required? N

Paleo Survey Run? Y **Paleo Potental Observed?** N **Cultural Survey Run?** Y **Cultural Resources?** N

Reserve Pit

Site-Specific Factors		Site Ranking
Distance to Groundwater (feet)	>200	0
Distance to Surface Water (feet)	>1000	0
Dist. Nearest Municipal Well (ft)	>5280	0
Distance to Other Wells (feet)	300 to 1320	10
Native Soil Type	Mod permeability	10
Fluid Type	Fresh Water	5
Drill Cuttings	Normal Rock	0
Annual Precipitation (inches)	<10	0
Affected Populations	<10	0
Presence Nearby Utility Conduits	Not Present	0
	Final Score	25 1 **Sensitivity Level**

Characteristics / Requirements

The proposed reserve pit is 70' x 150' x 10' deep located in a cut on the southeast corner of the location. A double 20 mil liner with a felt sub-liner is planned by Kerr McGee.

Reserve pit must be constructed and maintained so no leaks occur. Location is perched on ridge above the White River.

Closed Loop Mud Required? N **Liner Required?** Y **Liner Thickness** 40 **Pit Underlayment Required?** Y

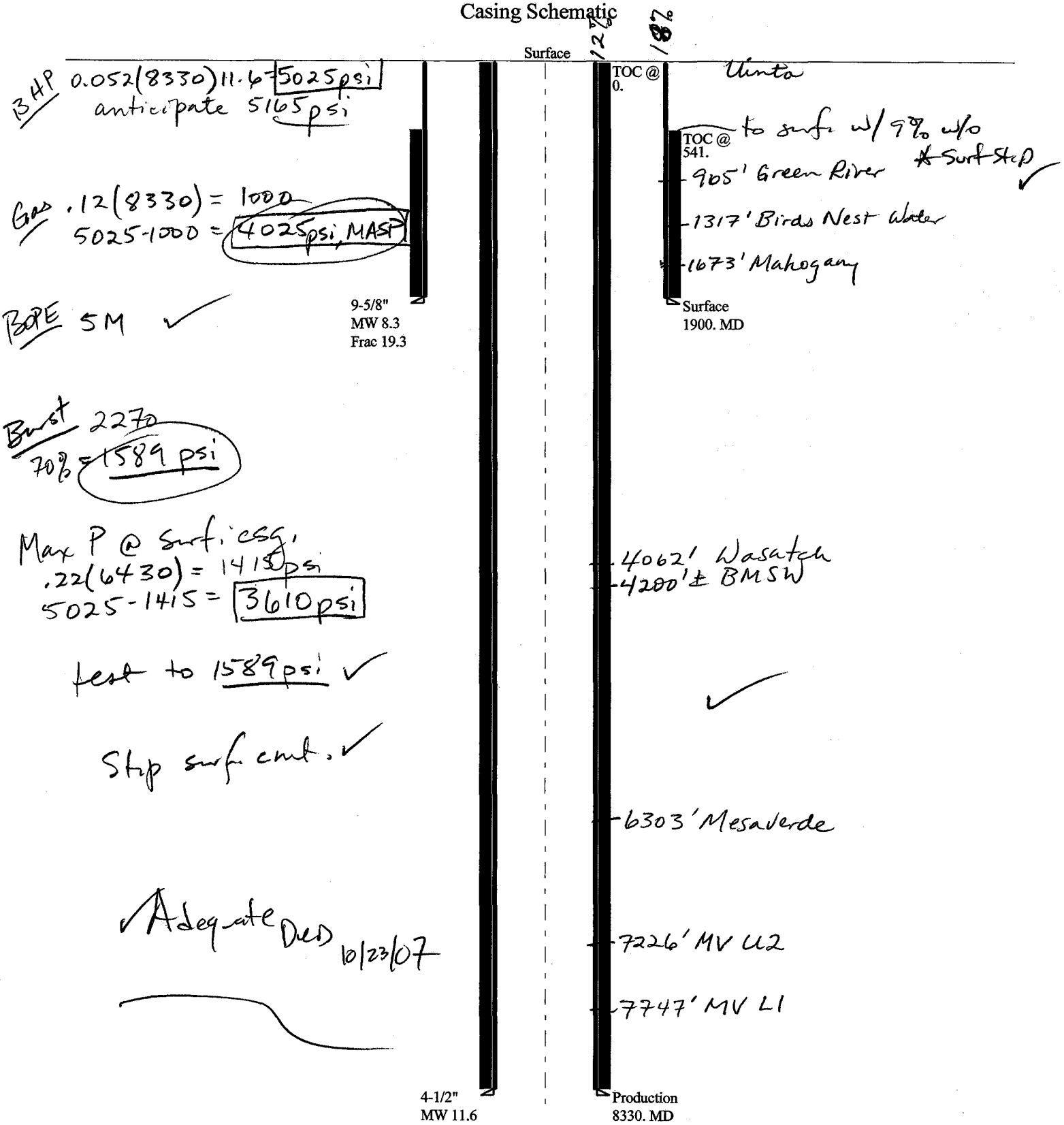
Other Observations / Comments

Floyd Bartlett [redacted]
Evaluator

9/19/2007 [redacted]
Date / Time

2007-10 Kerr McGee NBU 1022-14A

Casing Schematic



BHP 0.052(8330)11.6 = 5025psi
anticipate 5165psi

Gas .12(8330) = 1000
5025-1000 = 4025psi, MASP

BOPE 5M ✓

Burst 2270
70% = 1589 psi

Max P @ surf. csg.
.22(6430) = 1415psi
5025-1415 = 3610psi

test to 1589psi ✓

Stip surf. cmt. ✓

✓ Adequate DKD 10/23/07

Well name:	**2007-10 Kerr McGee NBU 1022-14A**
Operator:	**Kerr McGee Oil & Gas Onshore L.P.**
String type:	Surface
Project ID:	43-047-39524
Location:	Uintah County, Utah

Design parameters:

Collapse
Mud weight: 8.300 ppg
Design is based on evacuated pipe.

Burst
Max anticipated surface pressure: 1,672 psi
Internal gradient: 0.120 psi/ft
Calculated BHP 1,900 psi

No backup mud specified.

Minimum design factors:

Collapse:
Design factor 1.125

Burst:
Design factor 1.00

Tension:
8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Tension is based on buoyed weight.
Neutral point: 1,668 ft

Environment:
H2S considered? No
Surface temperature: 75 °F
Bottom hole temperature: 102 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 1,300 ft

Cement top: 541 ft

Non-directional string.

Re subsequent strings:
Next setting depth: 8,330 ft
Next mud weight: 11.600 ppg
Next setting BHP: 5,020 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 1,900 ft
Injection pressure: 1,900 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft^3)
1	1900	9.625	32.30	H-40	ST&C	1900	1900	8.876	839.6

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	819	1370	1.672	1900	2270	1.19	54	254	4.71 J

Prepared by: Helen Sadik-Macdonald
Div of Oil,Gas & Minerals
Phone: (801) 538-5357
FAX: (801) 359-3940
Date: October 22,2007
Salt Lake City, Utah

Remarks:
Collapse is based on a vertical depth of 1900 ft, a mud weight of 8.3 ppg The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

Well name:	**2007-10 Kerr McGee NBU 1022-14A**
Operator:	**Kerr McGee Oil & Gas Onshore L.P.**
String type:	Production
Project ID:	43-047-39524
Location:	Uintah County, Utah

Design parameters:

Collapse
Mud weight: 11.600 ppg
Design is based on evacuated pipe.

Burst
Max anticipated surface pressure: 3,187 psi
Internal gradient: 0.220 psi/ft
Calculated BHP 5,020 psi

No backup mud specified.

Minimum design factors:

Collapse:
Design factor 1.125

Burst:
Design factor 1.00

Tension:
8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Tension is based on buoyed weight.
Neutral point: 6,886 ft

Environment:
H2S considered? No
Surface temperature: 75 °F
Bottom hole temperature: 192 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 1,500 ft

Cement top: Surface

Non-directional string.

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft^3)
1	8330	4.5	11.60	I-80	LT&C	8330	8330	3.875	726.9

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	5020	6360	1.267	5020	7780	1.55	80	212	2.65 J

Prepared by: Helen Sadik-Macdonald
Div of Oil,Gas & Minerals
Phone: (801) 538-5357
FAX: (801) 359-3940
Date: October 22,2007
Salt Lake City, Utah

Remarks:
Collapse is based on a vertical depth of 8330 ft, a mud weight of 11.6 ppg The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:
3160
(UT-922)

August 29, 2007

Memorandum

To: Assistant District Manager Minerals, Vernal District

From: Michael Coulthard, Petroleum Engineer

Subject: 2007 Plan of Development Natural Buttes Unit
Uintah County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2007 within the Natural Buttes Unit, Uintah County, Utah.

API #	WELL NAME	LOCATION

(Proposed PZ Wasatch/MesaVerde)

43-047-39523	NBU 921-14L	Sec 14	T09S	R21E	1489	FSL	0258	FWL
43-047-39524	NBU 1022-14A	Sec 14	T10S	R22E	1233	FNL	1317	FEL
43-047-39525	NBU 1021-20H	Sec 20	T10S	R21E	2186	FNL	0792	FEL
43-047-39526	NBU 1021-20G	Sec 20	T10S	R21E	2085	FNL	2264	FEL
43-047-39527	NBU 1021-20F	Sec 20	T10S	R21E	2086	FNL	1812	FWL
43-047-39528	NBU 1021-20E	Sec 20	T10S	R21E	1848	FNL	0732	FWL
43-047-39529	NBU 1021-20D	Sec 20	T10S	R21E	0718	FNL	0861	FWL
43-047-39530	NBU 1021-20B	Sec 20	T10S	R21E	1112	FNL	1923	FEL
43-047-39531	NBU 1021-20O	Sec 20	T10S	R21E	0604	FSL	1749	FEL
43-047-39532	NBU 1021-20L	Sec 20	T10S	R21E	2170	FSL	0943	FWL
43-047-39533	NBU 1021-20K	Sec 20	T10S	R21E	1868	FSL	1552	FWL
43-047-39534	NBU 1021-20J	Sec 20	T10S	R21E	1618	FSL	2195	FEL

This office has no objection to permitting the wells at this time.

/s/ Michael L. Coulthard

bcc: File - Natural Buttes Unit
Division of Oil Gas and Mining
Central Files
Agr. Sec. Chron
Fluid Chron

MCoulthard:mc:8-29-07

From: Ed Bonner
To: Mason, Diana
Date: 10/18/2007 3:01 PM
Subject: Well Clearance

CC: Davis, Jim; Garrison, LaVonne; Hill, Brad; Hunt, Gil

The following wells have been given cultural resources clearance by the Trust Lands Cultural Resources Group:

Enduring Resources, LLC
- Hanging Rock 11-23-23-36 (API 43 047 39648)
- Hanging Rock 11-23-32-36 (API 43 047 39649)
- Hanging Rock 11-23-33-36 (API 43 047 39650)
- Hanging Rock 11-23-22-36 (API 43 047 39651)
- Hanging Rock 11-23-31-36 (API 43 047 39656)
- Hanging Rock 11-23-21-36 (API 43 047 39657)

Kerr McGee Oil & Gas Onshore LP
- NBU 1022-14A (API 43 047 39524)
- NBU 1021-20H (API 43 047 39525)
- NBU 1021-20G (API 43 047 39526)
- NBU 1021-20F (API 43 047 39527)
- NBU 1021-20E (API 43 047 39528)
- NBU 1021-20D (API 43 047 39529)
- NBU 1021-20B (API 43 047 39530)
- NBU 1021-20O (API 43 047 39531)
- NBU 1021-20L (API 43 047 39532)
- NBU 1021-20K (API 43 047 39533)
- NBU 1021-20J (API 43 047 39534)

Medallion Exploration
- Atchee Ridge 2-20 (API 43 047 39517)
- Atchee Ridge 11-20 (API 43 047 39518)
- Atchee Ridge 6-20 (API 43 047 39519)
- Atchee Ridge 7-20 (API 43 047 39520)
- Atchee Ridge 3-20 (API 43 047 39521)

If you have any questions regarding this matter please give me a call.

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah
DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil Gas and Mining

JOHN R. BAZA
Division Director

October 25, 2007

Kerr McGee Oil & Gas Onshore LP
1368 S 1200 E
Vernal, UT 84078

Re: NBU 1022-14A Well, 1233' FNL, 1317' FEL, NE NE, Sec. 14, T. 10 South, R. 22 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann.§ 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-39524.

Sincerely,

for Gil Hunt
Associate Director

pab
Enclosures

cc: Uintah County Assessor
SITLA

1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114-5801
telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • *www.ogm.utah.gov*

UTAH DNR OIL, GAS & MINING

Operator: Kerr McGee Oil & Gas Onshore LP

Well Name & Number NBU 1022-14A

API Number: 43-047-39524

Lease: STUO01197-AST

Location: NE NE **Sec.** 14 **T.** 10 South **R.** 22 East

Conditions of Approval

1. **General**

   Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. **Notification Requirements**

   The operator is required to notify the Division of Oil, Gas and Mining of the following action during drilling of this well:

   - 24 hours prior to cementing or testing casing – contact Dan Jarvis
   - 24 hours prior to testing blowout prevention equipment – contact Dan Jarvis
   - 24 hours prior to spudding the well – contact Carol Daniels
   - Within 24 hours of any emergency changes made to the approved drilling program – contact Dustin Doucet
   - Prior to commencing operations to plug and abandon the well – contact Dan Jarvis

   The operator is required to get approval from the Division of Oil, Gas and Mining before performing any of the following actions during the drilling of this well:

   - Plugging and abandonment or significant plug back of this well – contact Dustin Doucet
   - Any changes to the approved drilling plan – contact Dustin Doucet

   The following are Division of Oil, Gas and Mining contacts and their telephone numbers (please leave a voice mail message if the person is not available to take the call):

   - Dan Jarvis at: (801) 538-5338 office (801) 942-0873 home
   - Carol Daniels at: (801) 538-5284 office
   - Dustin Doucet at: (801) 538-5281 office (801) 733-0983 home

3. **Reporting Requirements**

   All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. Compliance with the State of Utah Antiquities Act forbids disturbance of archeological, historical, or paleontological remains. Should archeological, historical or paleontological remains be encountered during your operations, you are required to immediately suspend all operations and immediately inform the Trust Lands Administration and the Division of State History of the discovery of such remains.

5. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)

6. In accordance with Order in Cause No. 190-5(b) dated October 28, 1982, the Operator shall comply with requirements of Rules R649-3-31 and R649-3-27 pertaining to Designated Oil Shale Areas. Additionally, the operator shall ensure that the surface and/or production casing is properly cemented over the entire oil shale interval as defined by Rule R649-3-31. The Operator shall report the actual depth the oil shale is encountered to the Division.

7. Surface casing shall be cemented to the surface.

FORM 9

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

5. LEASE DESIGNATION AND SERIAL NUMBER: ST UO 01197-A

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

7. UNIT or CA AGREEMENT NAME: UTU-63047A

1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ OTHER

8. WELL NAME and NUMBER: NBU 1022-14A

2. NAME OF OPERATOR: Kerr-McGee Oil & Gas Onshore, LP

9. API NUMBER: 4304739524

3. ADDRESS OF OPERATOR: P.O. Box 173779 CITY Denver STATE CO ZIP 80217-3779 PHONE NUMBER: (720) 929-6226

10. FIELD AND POOL, OR WILDCAT: Natural Buttes Field

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 1233' FNL & 1317' FEL COUNTY: Uintah

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENE 14 10S 22E STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☑ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
Approximate date work will start:	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
	☐ CHANGE TO PREVIOUS PLANS	☐ OPERATOR CHANGE	☐ TUBING REPAIR
	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☐ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☐ WATER DISPOSAL
Date of work completion:	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☑ OTHER: APD Extension
	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Kerr-McGee Oil & Gas Onshore, LP, respectfully requests a one year extension on this APD in order to complete drilling operations. The Utah Division of Oil, Gas, and Mining initially approved this APD on 10/25/2007.

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 10/30/08

By: D James

COPY SENT TO OPERATOR

Date: 10.30.2008

Initials: KS

NAME (PLEASE PRINT) Kevin McIntyre TITLE Regulatory Analyst

SIGNATURE [signature] DATE 10/23/2008

(This space for State use only)

RECEIVED
OCT 27 2008
DIV. OF OIL, GAS & MINING

(5/2000) (See Instructions on Reverse Side)

[redacted]

Application for Permit to Drill
Request for Permit Extension
Validation

(this form should accompany the Sundry Notice requesting permit extension)

API: 4304739524
Well Name: NBU 1022-14A
Location: NENE 1233' FNL & 1317' FEL Sec. 14, T10S, R22E
Company Permit Issued to: Kerr-McGee Oil & Gas Onshore, LP
Date Original Permit Issued: 10/25/2007

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes☐No☑

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes☐No☑

Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes☐No☑

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes☐No☑

Has the approved source of water for drilling changed? Yes☐No☑

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes☐No☑

Is bonding still in place, which covers this proposed well? Yes☑No☐

Signature

10/23/2008
Date

Title: Regulatory Analyst

Representing: Kerr-McGee Oil & Gas Onshore, LP

RECEIVED
OCT 27 2008
DIV. OF OIL, GAS & MINING

API Well No: 43047395240000

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

FORM 9

5.LEASE DESIGNATION AND SERIAL NUMBER: STUO01197-AST

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME: NATURAL BUTTES

1. TYPE OF WELL Gas Well

8. WELL NAME and NUMBER: NBU 1022-14A

2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.

9. API NUMBER: 43047395240000

3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779

PHONE NUMBER: 720 929-6007 Ext

9. FIELD and POOL or WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 1233 FNL 1317 FEL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NENE Section: 14 Township: 10.0S Range: 22.0E Meridian: S

COUNTY: UINTAH

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
✓ NOTICE OF INTENT Approximate date work will start: 8/10/2009	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
☐ SPUD REPORT Date of Spud:	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
☐ DRILLING REPORT Report Date:	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Kerr-McGee Oil & Gas Onshore, L.P. (Kerr-McGee) respectfully requests to change the well name for this location FROM: NBU 1022-14A TO: NBU 1022-14B3S due to the well changing to a directional well and changing locations. Please see the attached revised plats, maps and drilling information for additional information. Please contact the undersigned with any questions and/or comments. Thank you.

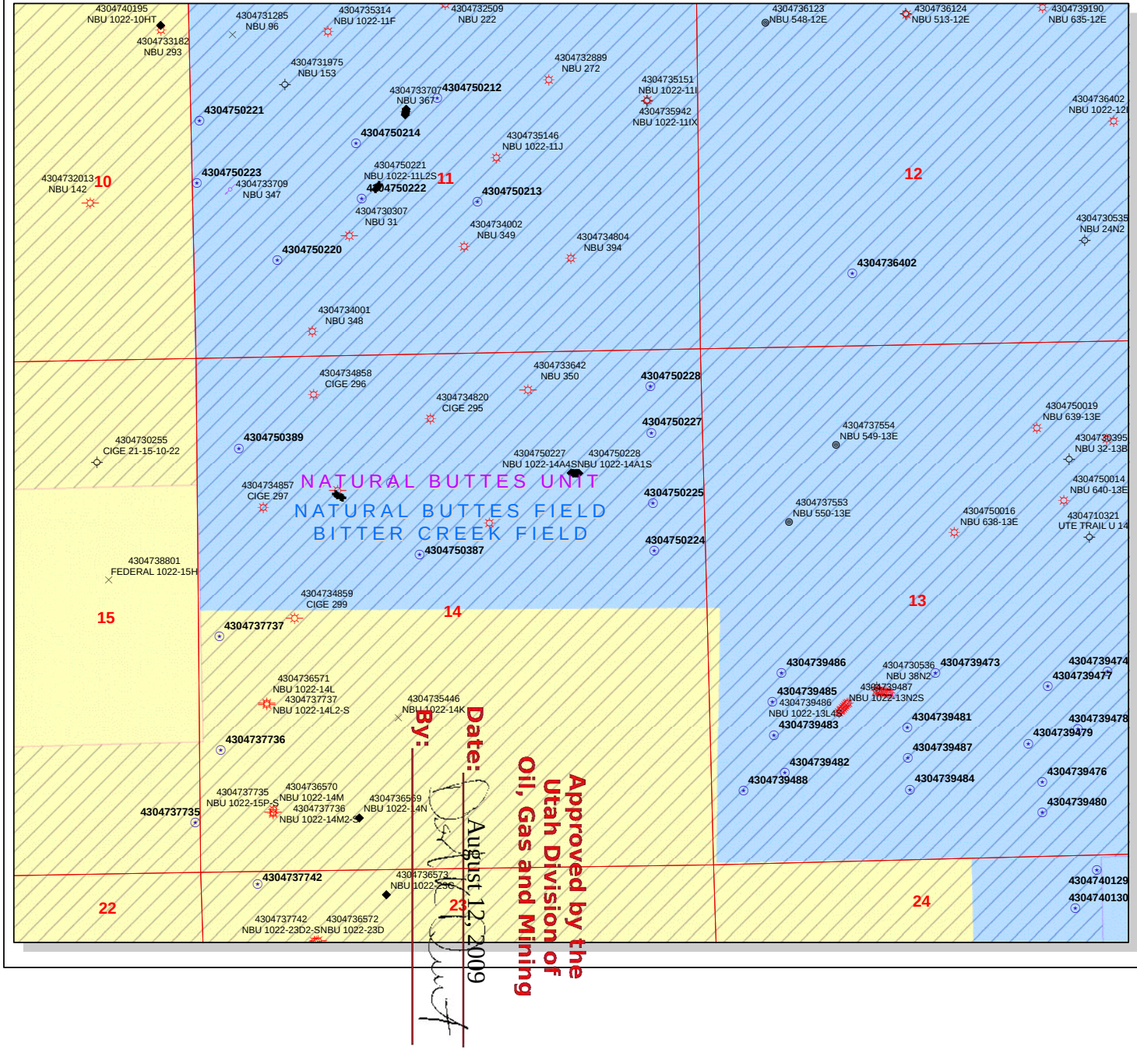
Approved by the Utah Division of Oil, Gas and Mining

Date: August 12, 2009

By: Dark Quist

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Danielle Piernot	720 929-6156	Regulatory Analyst
SIGNATURE		**DATE**
N/A		8/5/2009

RECEIVED August 05, 2009



API Number: 4304739524

Well Name: NBU 1022-14B3S

Township 10.0 S Range 22.0 E Section 14

Meridian: SLBM

Operator: KERR-MCGEE OIL & GAS ONSHORE, L.P.

Map Prepared:
Map Produced by Diana Mason

Units
STATUS
ACTIVE
EXPLORATORY
GAS STORAGE
NF PP OIL
NF SECONDARY
PI OIL
PP GAS
PP GEOTHERML
PP OIL
SECONDARY
TERMINATED

Fields
STATUS
ACTIVE
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Sections

Wells Query Events
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PA
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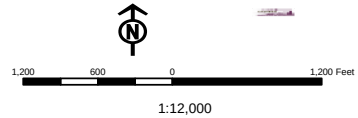

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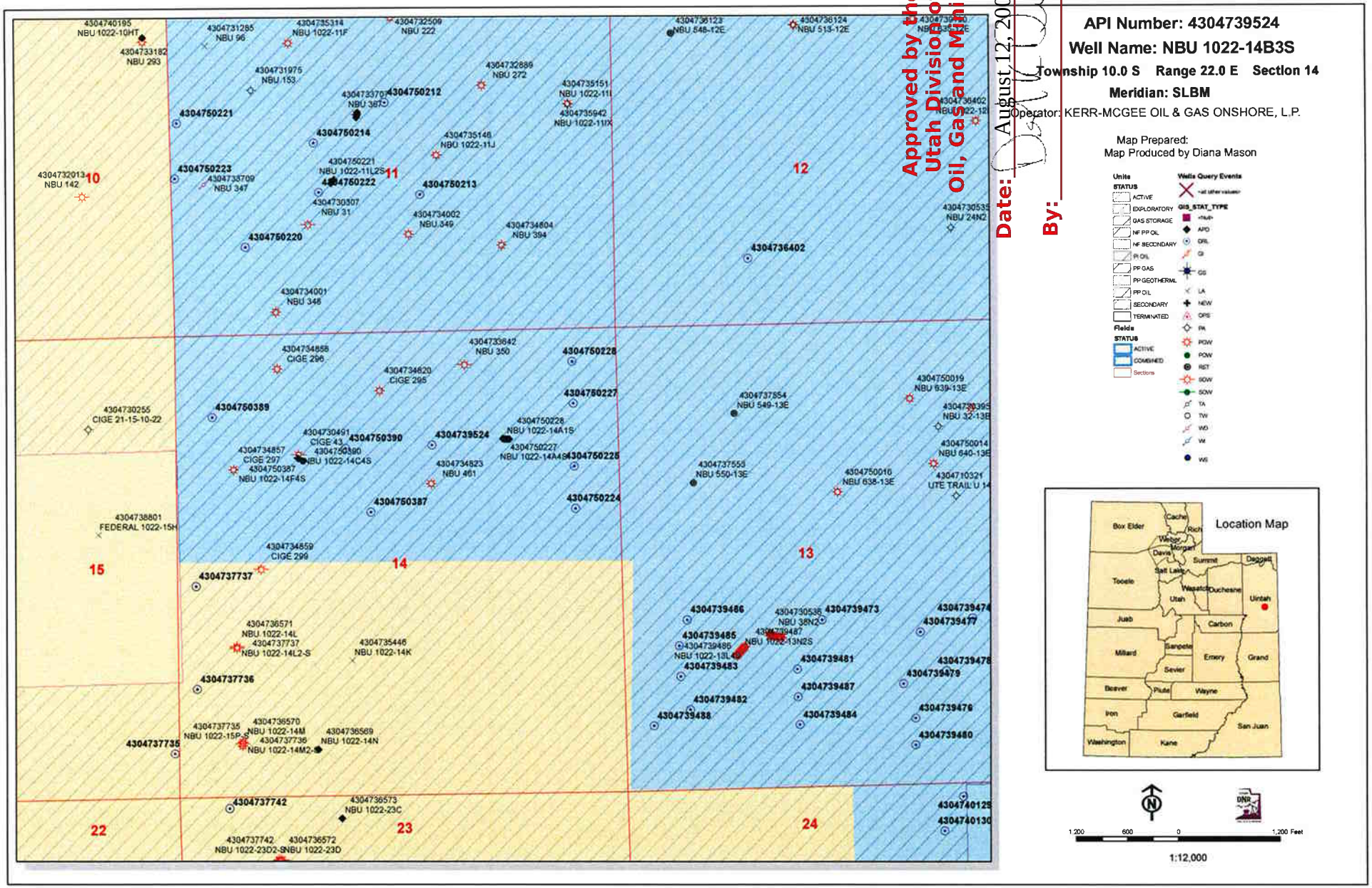

Approved by the
Utah Division of
Oil, Gas and Mining

Date: August 12, 2009

By: Dustin Doucet

API Number: 4304739524

Well Name: NBU 1022-14B3S

Township 10.0 S Range 22.0 E Section 14

Meridian: SLBM

Operator: KERR-MCGEE OIL & GAS ONSHORE, L.P.

Map Prepared:
Map Produced by Diana Mason

Units
STATUS
ACTIVE
EXPLORATORY
GAS STORAGE
NF PP OIL
NF SECONDARY
PI OIL
PP GAS
PP GEOTHERML
PP OIL
SECONDARY
TERMINATED
Fields
STATUS
ACTIVE
COMBINED
Sections

Wells Query Events
GIS_STAT_TYPE
APD
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GS
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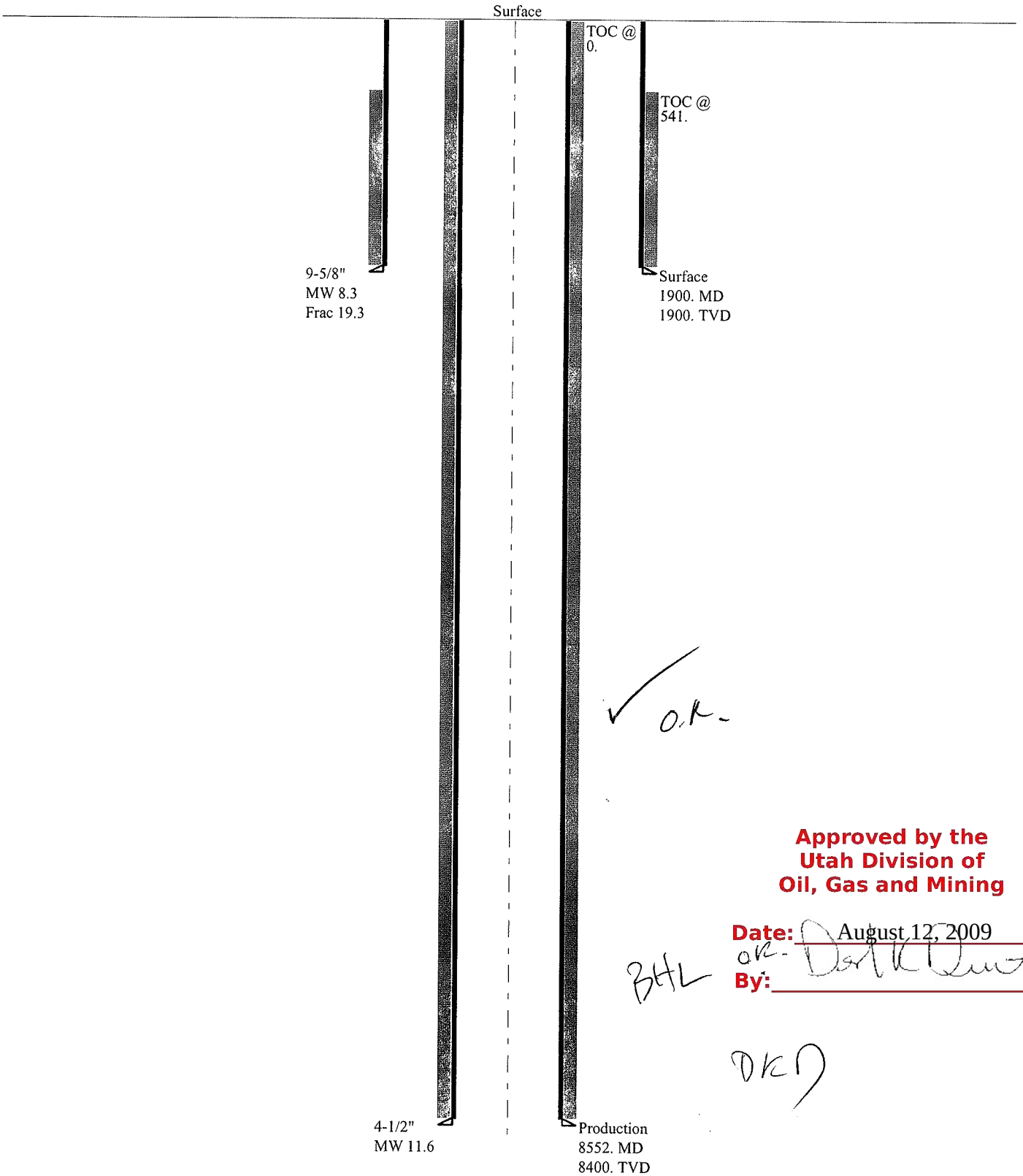
NEW
OPS
PA
POW
POW
RET
SOW
SOW
TA
TW
WD
WI
WS

1,200 600 0 1,200 Feet

1:12,000

2007-10 Kerr McGee NBU 1022-14Arev.

Casing Schematic



O.K.

BHL OK.

DKD

Approved by the
Utah Division of
Oil, Gas and Mining

Date: August 12, 2009

By:

Well name:	**2007-10 Kerr McGee NBU 1022-14Arev.**
Operator:	**Kerr McGee Oil & Gas Onshore L.P.**
String type:	Production
Project ID:	43-047-39524
Location:	Uintah County, Utah

Design parameters:

Collapse

Mud weight: 11.600 ppg
Design is based on evacuated pipe.

Burst

Max anticipated surface pressure: 3,214 psi
Internal gradient: 0.220 psi/ft
Calculated BHP 5,062 psi

No backup mud specified.

Minimum design factors:

Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Tension:

8 Round STC:	1.80 (J)
8 Round LTC:	1.80 (J)
Buttress:	1.60 (J)
Premium:	1.50 (J)
Body yield:	1.50 (B)

Tension is based on buoyed weight.
Neutral point: 7,096 ft

Environment:

H2S considered?	No
Surface temperature:	75 °F
Bottom hole temperature:	193 °F
Temperature gradient:	1.40 °F/100ft
Minimum section length:	1,500 ft
Cement top:	Surface

Directional Info - Build & Drop

Kick-off point	2000 ft
Departure at shoe:	840 ft
Maximum dogleg:	3 °/100ft
Inclination at shoe:	0 °

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	8552	4.5	11.60	I-80	LT&C	8400	8552	3.875	746.3

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	5062	6360	1.257	5062	7780	1.54	81	212	2.63 J

Approved by the Utah Division of Oil, Gas and Mining

Date: August 12, 2009

By:

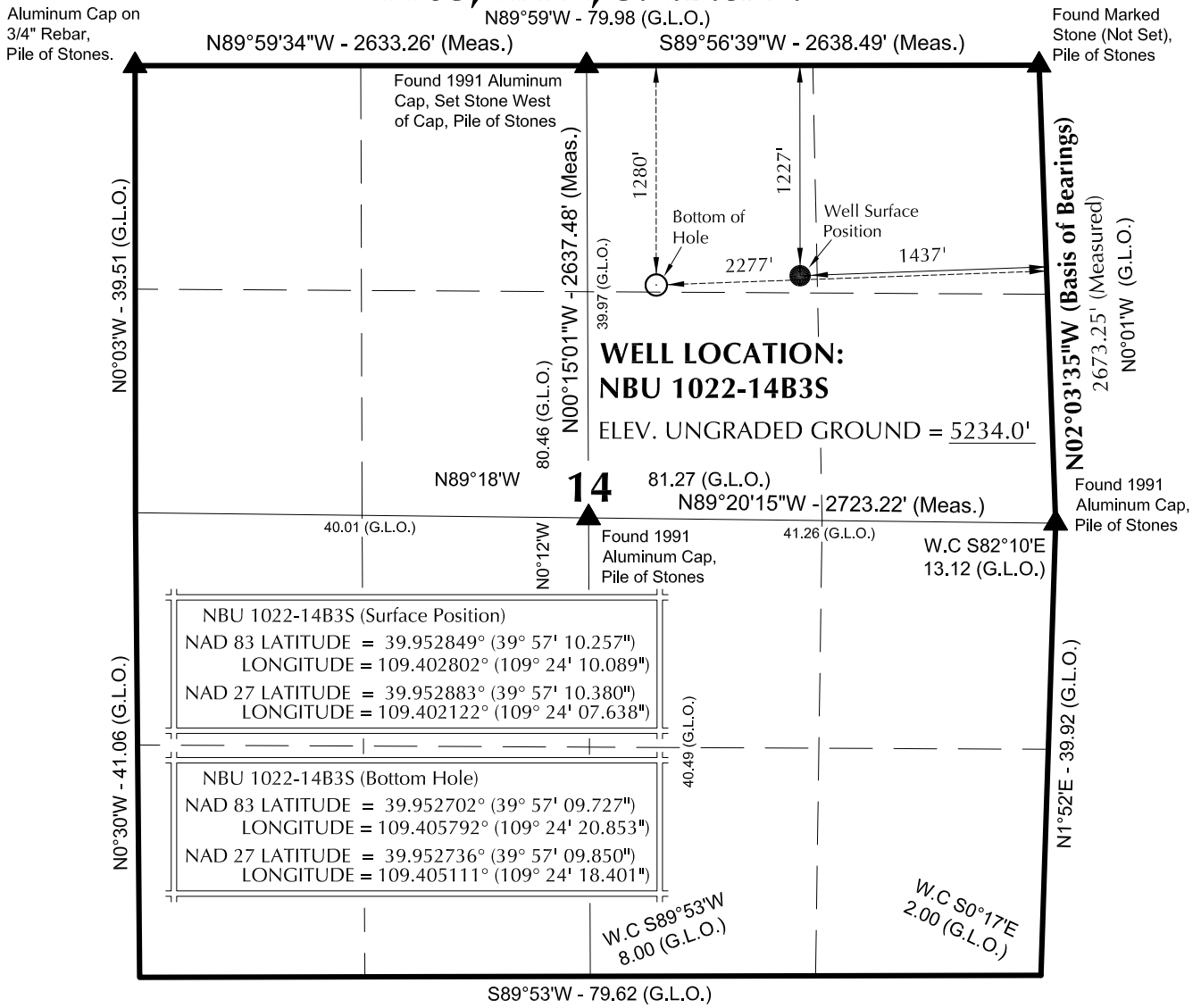
Prepared by: Helen Sadik-Macdonald
Div of Oil,Gas & Mining
Phone: (801) 538-5357
FAX: (801) 359-3940
Date: August 12,2009
Salt Lake City, Utah

Remarks:
Collapse is based on a vertical depth of 8400 ft, a mud weight of 11.6 ppg The casing is considered to be evacuated for collapse purposes.
Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.
Collapse strength is (biaxially) derated for doglegs in directional wells by multiplying the tensile stress by the cross section area to calculate a

Engineering responsibility for use of this design will be that of the purchaser.

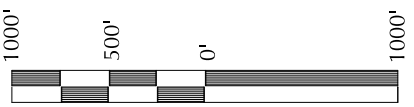
T10S, R22E, S.L.B.&M.



NOTES:

▲ = Section Corners Located

1. Well footages are measured at right angles to the Section Lines.
2. G.L.O. distances are shown in feet or chains. 1 chain = 66 feet.
3. The Bottom of hole bears S86°18'18"W 840.17' from the Surface Position.
4. Bearings are based on Global Positioning Satellite observations.
5. Basis of elevation is Tri-Sta "Two Water" located in the NW ¼ of Section 1, T10S, R21E, S.L.B.&M. The elevation of this Tri-Sta is shown on the Big Pack Mtn NE 7.5 Min. Quadrangle as being 5238'.



SCALE

SURVEYOR'S CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

REGISTERED LAND SURVEYOR
REGISTRATION No. 362251
STATE OF UTAH

Kerr-McGee Oil & Gas Onshore, LP
1099 18th Street - Denver, Colorado 80202

WELL PAD - NBU 1022-14B

NBU 1022-14B3S
WELL PLAT
1280' FNL, 2277' FEL (Bottom Hole)
NW ¼ NE ¼ OF SECTION 14, T10S, R22E, S.L.B.&M., UINTAH COUNTY, UTAH.

609 CONSULTING, LLC
371 Coffeen Avenue
Sheridan WY 82801
Phone 307-674-0609
Fax 307-674-0182

TIMBERLINE (435) 789-1365
ENGINEERING & LAND SURVEYING, INC.
209 NORTH 300 WEST - VERNAL, UTAH 84078

DATE SURVEYED: 07-17-09	SURVEYED BY: D.J.S.	SHEET NO: 1
DATE DRAWN: 07-20-09	DRAWN BY: M.W.W.	1 OF 12
SCALE: 1" = 1000'	Date Last Revised: 07-23-09	

NBU 1022-14B3S
(FKA NBU 1022-14A)
Pad: NBU 1022-14B
Surface: 1,227' FNL 1,437' FEL (NW/4NE/4)
BHL: 1,280' FNL 2,277' FEL (NW/4NE/4)
Sec. 14 T10S R22E

Uintah, Utah
Mineral Lease: UO 01197A

ONSHORE ORDER NO. 1

DRILLING PROGRAM REVISED

1. – 2. Estimated Tops of Important Geologic Markers:
Estimated Depths of Anticipated Water, Oil, Gas, or Mineral Formations:

Formation	Depth	Resource
Uinta	0 – Surface	
Green River	1,007'	
Birds Nest	1,334'	Water
Mahogany	1,697'	Water
Wasatch	4,088'	Gas
Mesaverde	6,351'	Gas
MVU2	7,251'	Gas
MVL1	7,779'	Gas
TVD	8,400'	
TD	8,552'	

3. Pressure Control Equipment (Schematic Attached)

Please refer to the attached Drilling Program.

4. Proposed Casing & Cementing Program:

Please refer to the attached Drilling Program.

5. Drilling Fluids Program:

Please refer to the attached Drilling Program.

6. Evaluation Program:

Please refer to the attached Drilling Program.

RECEIVED August 05, 2009

7. Abnormal Conditions:

Maximum anticipated bottomhole pressure calculated at 8,552' TD, approximately equals 5,062 psi (calculated at 0.59 psi/foot).

Maximum anticipated surface pressure equals approximately 3,124 psi (bottomhole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot).

8. Anticipated Starting Dates:

Drilling is planned to commence immediately upon approval of this application.

9. Variances:

Please refer to the attached Drilling Program.
Onshore Order #2 – Air Drilling Variance

Kerr-McGee Oil & Gas Onshore LP (KMG) respectfully requests a variance to several requirements associated with air drilling outlined in Onshore Order 2

- *Blowout Prevention Equipment (BOPE) requirements;*
- *Mud program requirements; and*
- *Special drilling operation (surface equipment placement) requirements associated with air drilling.*

This Standard Operating Practices addendum provides supporting information as to why KMG current air drilling practices for constructing the surface casing hole should be granted a variance to Onshore Order 2 air drilling requirements.

The reader should note that the air rig is used only to construct a stable surface casing hole through a historically difficult lost circulation zone. A conventional rotary rig follows the air rig, and is used to drill and construct the majority of the wellbore.

More notable, KMG has used the air rig layout and procedures outlined below to drill the surface casing hole in approximately 675 wells without incident of blow out or loss of life.

Background
In a typical well, KMG utilizes an air rig for drilling the surface casing hole, an interval from the surface to surface casing depths, which varies in depth from 1,700 to 2,800 feet. The air rig drilling operation does not drill through productive or over pressured formations in KMG field, but does penetrate the Uinta and Green River Formations. The purpose of the air drilling operation is to overcome the severe loss circulation zone in the Green River known as the Bird's Nest while creating a stable hole for the surface casing. The surface casing hole is generally drilled to approximately 500 feet below the Bird's Nest.

RECEIVED August 05, 2009

Before the surface air rig is mobilized, a rathole rig is utilized to set and cement conductor pipe through a competent surface formation. Generally, the conductor is set at 40 feet. In some cases, conductor may be set deeper in areas that the surface formation is not found competent. This rig also drills the rat and mouse holes in preparation for the surface casing and production string drilling operations.

The air rig is then mobilized to drill the surface casing hole by drilling a 12-1/4 inch hole to just above the Bird's Nest interval with an air hammer. The hammer is then tripped and replaced with a 12-1/4 inch tri-cone bit. The tri-cone bit is used to drill to the surface casing point, approximately 500 feet below the loss circulation zone (Bird's Nest). The 9-5/8 inch surface casing is then run and cemented in place, thereby isolating the lost circulation zone.

KMG fully appreciates Onshore Order 2 well control and safety requirements associated with a typical air drilling operations. However, the requirements of Onshore Order 2 are excessive with respect to the air rig layout and drilling operation procedures that are currently in practice to drill and control the surface casing hole in KMG Fields.

Variance for BOPE Requirements
The air rig operation utilizes a properly lubricated and maintained air bowl diverter system which diverts the drilling returns to a six-inch blooie line. The air bowl is the only piece of BOPE equipment which is installed during drilling operations and is sufficient to contain the air returns associated with this drilling operation. As was discussed earlier, the drilling of the surface hole does not encounter any over pressured or productive zones, and as a result standard BOPE equipment should not be required. In addition, standard drilling practices do not support the use of BOPE on 40 feet of conductor pipe.

Variance for Mud Material Requirements
Onshore Order 2 also states that sufficient quantities of mud materials shall be maintained or readily accessible for the purpose of assuring adequate well control. Once again, the surface hole drilling operations does not encounter over pressured or productive intervals, and as a result there is not a need to control pressure in the surface hole with a mud system. Instead of mud, the air rigs utilize water from the reserve pit for well control, if necessary. A skid pump which is located near the reserve pit (see attachment) will supply the water to the well bore.

Variance for Special Drilling Operation (surface equipment placement) Requirements
Onshore Order 2 requires specific safety distances or setbacks for the placement of associated standard air drilling equipment, wellbore, and reserve pits. The air rigs used to drill the surface holes are not typical of an air rig used to drill a producing hole in other parts of the US. These are smaller in nature and designed to fit a KMG location. The typical air rig layout for drilling surface hole in the field is attached.

Typically the blooie line discharge point is required to be 100 feet from the well bore. In the case of a KMG well, the reserve pit is only 45 feet from the rig and is used for the drill cuttings. The blooie line, which transports the drill cuttings from the well to the reserve pit, subsequently discharges only 45 feet from the well bore.

Typically the air rig compressors are required to be located in the opposite direction from the blooie line and a minimum of 100 feet from the well bore. At the KMG locations, the air rig compressors are approximately 40 feet from the well bore and approximately 60 feet from the blooie line discharge due to the unique air rig design. The air compressors (see attachment) are located on the rig (1250 cfm) and on a standby trailer (1170 cfm). A booster sits between the two compressors and boosts the output from 350 psi to 2000 psi. The design does put the booster and standby compressor opposite from the blooie line.

Lastly, Onshore Order 2 addresses the need for an automatic igniter or continuous pilot light on the blooie line. The air rig does not utilize an igniter as the surface hole drilling operation does not encounter productive formations.

Variance for FIT Requirements
KMG also respectfully requests a variance to Onshore Order 2, Section III, Part Bi, for the pressure integrity test (PIT, also known as a formation integrity test (FIT)). The air rig operation utilizes a 5M BOPE when drilling. This well is not an exploratory well and is being drilled in an area where the formation integrity is well known. Additionally, when an FIT is run with the mud weight as required, the casing shoe frequently breaks down and causes subsequent lost circulation when drilling the entire depth of the well.

Conclusion
The air rig operating procedures and the attached air rig layout have effectively maintained well control while drilling the surface holes in KMG Fields. KMG respectfully requests a variance from Onshore Order 2 with respect to air drilling well control requirements as discussed above.

10. Other Information:

Please refer to the attached Drilling Program.

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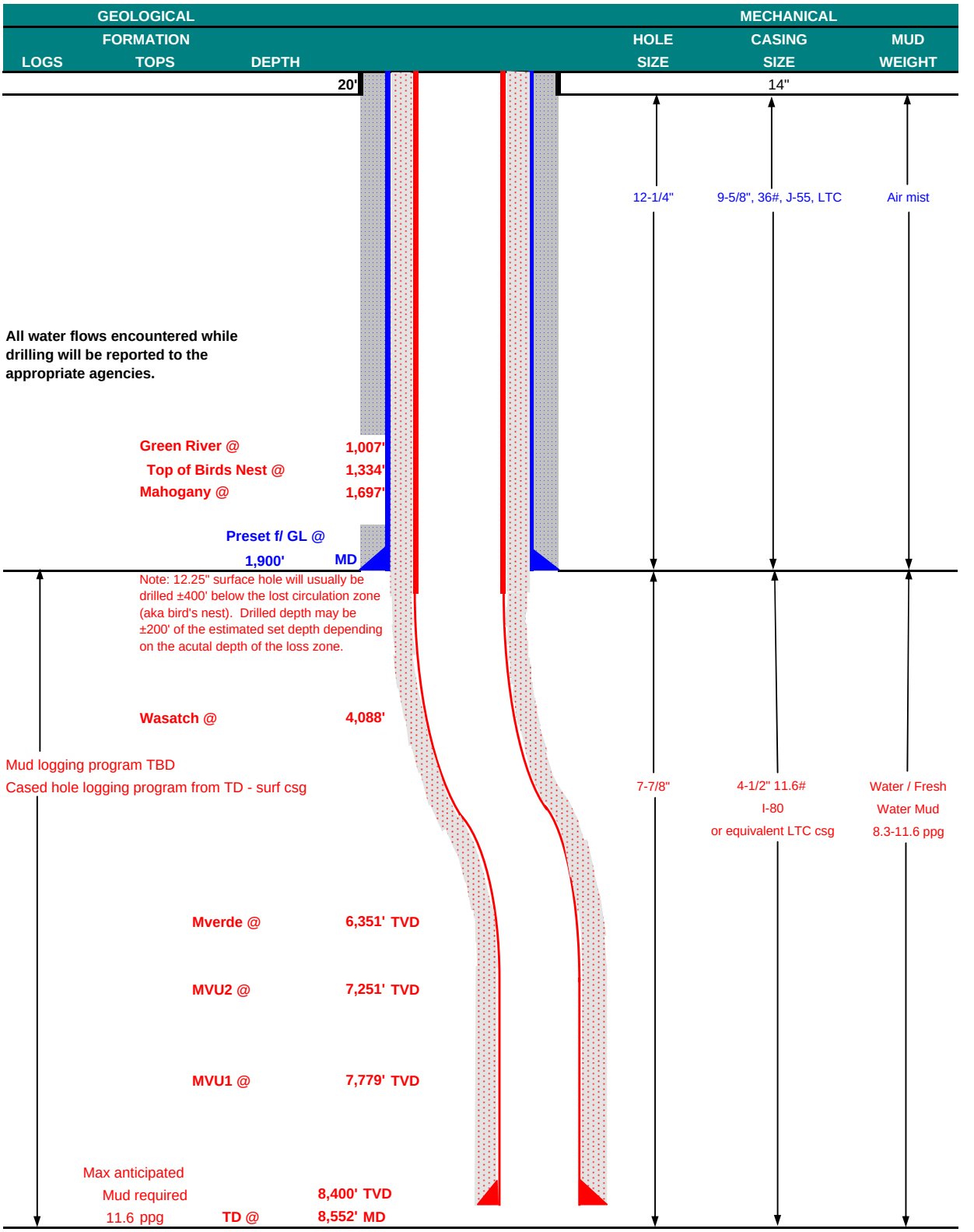
KERR-McGEE OIL & GAS ONSHORE LP

DRILLING PROGRAM

COMPANY NAME	KERR-McGEE OIL & GAS ONSHORE LP			DATE	August 5, 2009
WELL NAME	**NBU 1022-14B3S**			TD	8,400' TVD 8,552' MD
FIELD	Natural Buttes	COUNTY	Uintah	STATE	Utah	FINISHED ELEVATION	4,970'
SURFACE LOCATION	NW/4 NE/4	1,227' FNL	1,437' FEL	Sec 14	T 10S	R 22E	
	Latitude:	39.952883	Longitude:	-109.402122		NAD 27	
BTM HOLE LOCATION	NW/4 NE/4	1,280' FNL	2,277' FEL	Sec 14	T 10S	R 22E	
	Latitude:	39.952736	Longitude:	-109.405111		NAD 27	
OBJECTIVE ZONE(S)	Wasatch/Mesaverde						
ADDITIONAL INFO	Regulatory Agencies: SITLA (Minerals), UDOGM (Surface), UDOGM Tri-County Health Dept.						



KERR-McGEE OIL & GAS ONSHORE LP

DRILLING PROGRAM

CASING PROGRAM

	SIZE	INTERVAL			WT.	GR.	CPLG.	DESIGN FACTORS BURST	COLLAPSE	TENSION
CONDUCTOR	14"	0-40'								
								3,520	2,020	453,000
SURFACE	9-5/8"	0	to	1,900	36.00	J-55	LTC	1.07	2.27	8.43
								7,780	6,350	201,000
PRODUCTION	4-1/2"	0	to	8,552	11.60	I-80	LTC	2.42	1.25	2.32

1) Max Anticipated Surf. Press.(MASP) (Surface Casing) = (Pore Pressure at next csg point-(0.22 psi/ft-partial evac gradient x TVD of next csg point))

2) MASP (Prod Casing) = Pore Pressure at TD - (0.22 psi/ft-partial evac gradient x TD)
(Burst Assumptions: TD = 11.6 ppg) 0.22 psi/ft = gradient for partially evac wellbore
(Collapse Assumption: Fully Evacuated Casing, Max MW) (Tension Assumptions: Air Weight of Casing*Buoy.Fact. of water)
MASP 3,124 psi

3) Maximum Anticipated Bottom Hole Pressure (MABHP) = Pore Pressure at TD
(Burst Assumptions: TD = 11.6 ppg) 0.59 psi/ft = bottomhole gradient
(Collapse Assumption: Fully Evacuated Casing, Max MW) (Tension Assumptions: Air Weight of Casing*Buoy.Fact. of water)
MABHP 5,062 psi

CEMENT PROGRAM

		FT. OF FILL	DESCRIPTION	SACKS	EXCESS	WEIGHT	YIELD
SURFACE	LEAD	500'	Premium cmt + 2% CaCl	215	60%	15.60	1.18
Option 1			+ 0.25 pps flocele				
	TOP OUT CMT (6 jobs)	1,200'	20 gals sodium silicate + Premium cmt	380	0%	15.60	1.18
			+ 2% CaCl + 0.25 pps flocele				
			Premium cmt + 2% CaCl				
SURFACE		**NOTE: If well will circulate water to surface, option 2 will be utilized**					
Option 2	LEAD	1,400'	65/35 Poz + 6% Gel + 10 pps gilsonite	330	35%	12.60	1.81
			+ 0.25 pps Flocele + 3% salt BWOW				
	TAIL	500'	Premium cmt + 2% CaCl	180	35%	15.60	1.18
			+ 0.25 pps flocele				
	TOP OUT CMT	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
PRODUCTION	LEAD	3,582'	Premium Lite II + 3% KCl + 0.25 pps	340	40%	11.00	3.38
			celloflake + 5 pps gilsonite + 10% gel				
			+ 0.5% extender				
	TAIL	4,970'	50/50 Poz/G + 10% salt + 2% gel	1,220	40%	14.30	1.31
			+ 0.1% R-3				

*Substitute caliper hole volume plus 0% excess for LEAD if accurate caliper is obtained
*Substitute caliper hole volume plus 10% excess for TAIL if accurate caliper is obtained

FLOAT EQUIPMENT & CENTRALIZERS

SURFACE	Guide shoe, 1 jt, insert float. Centralize first 3 joints with bow spring centralizers. Thread lock guide shoe
PRODUCTION	Float shoe, 1 jt, float collar. No centralizers will be used.

ADDITIONAL INFORMATION

Test casing head to 750 psi after installing. Test surface casing to 1,500 psi prior to drilling out.

BOPE: 11" 5M with one annular and 2 rams. The BOPE will be installed before the production hole is drilled and tested to 5,000 psi (annular to 2,500 psi) prior to drilling out the surface casing shoe. Record on chart recorder and tour sheet. Function test rams on each trip. Maintain safety valve and inside BOP on rig floor at all times. Most rigs have top drives; however, if used, the Kelly is to be equipped with upper and lower kelly valves.

Surveys will be taken at 1,000' minimum intervals.

Most rigs have PVT System for mud monitoring. If no PVT is available, visual monitoring will be utilized.

DRILLING ENGINEER: ______________________ **DATE:** ____________
John Huycke / Emile Goodwin

DRILLING SUPERINTENDENT: ______________________ **DATE:** ____________
John Merkel / Lovel Young

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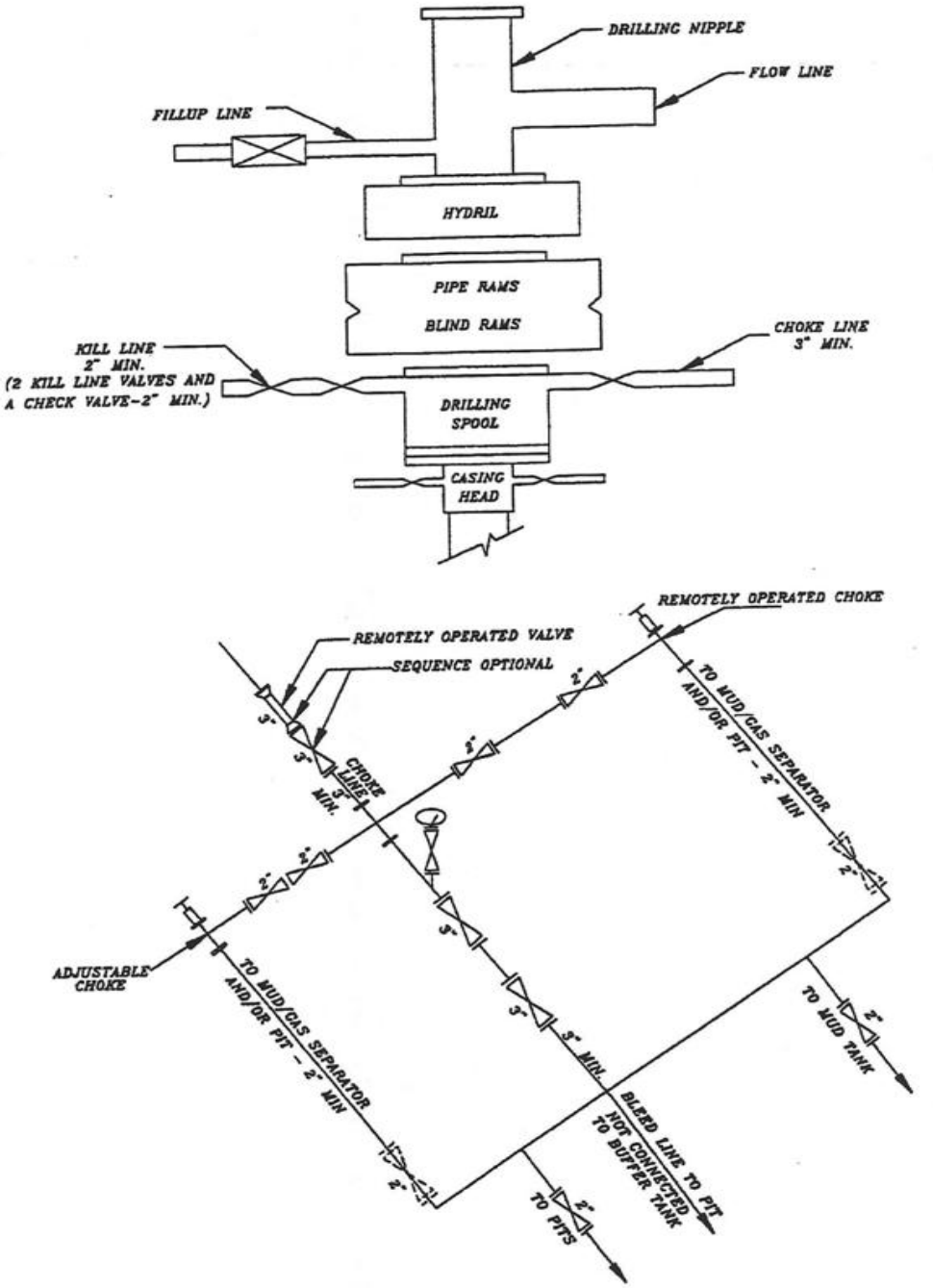
EXHIBIT A
NBU 1022-14B3S



SCHEMATIC DIAGRAM OF 5,000 PSI BOP STACK

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Scientific Drilling
Rocky Mountain Operations

Project: Uintah County, UT NAD27
Site: NBU 1022-14B Pad
Well: NBU 1022-14B3S
Wellbore: OH
Design: Plan #1

Kerr McGee Oil and Gas Onshore LP

T M

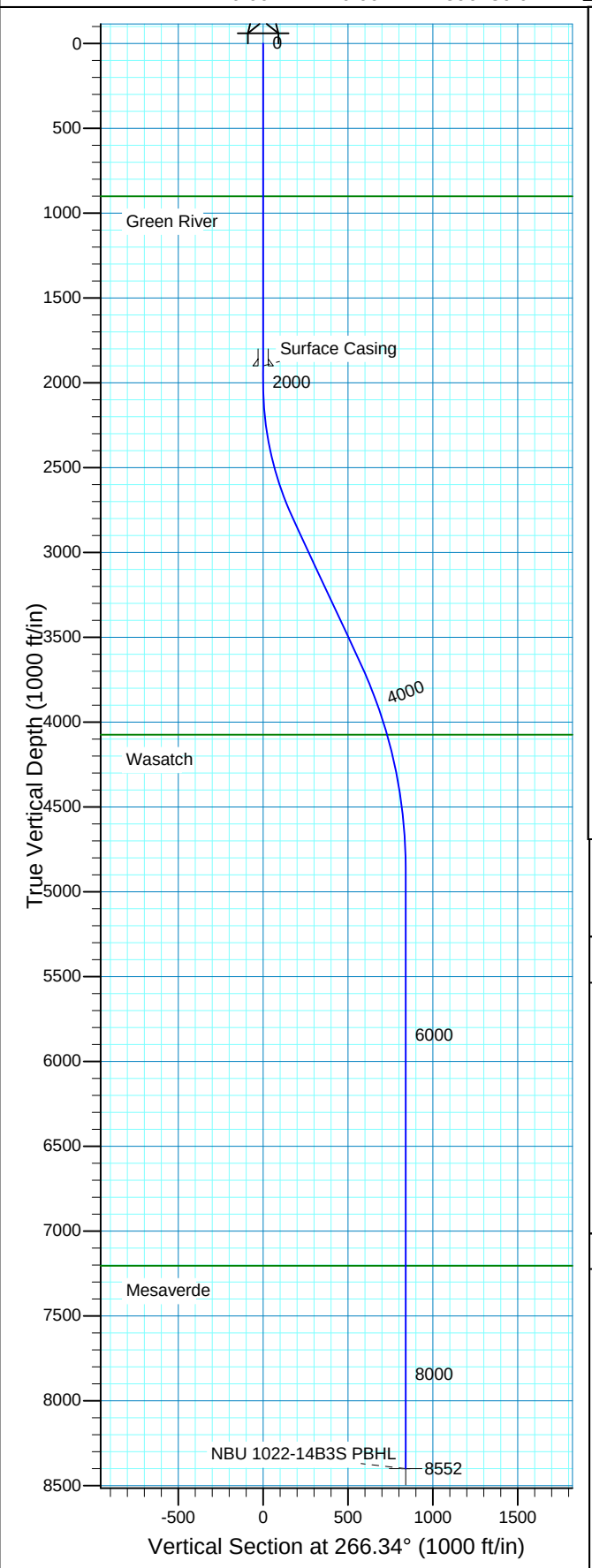
Azimuths to True North
Magnetic North: 11.25°

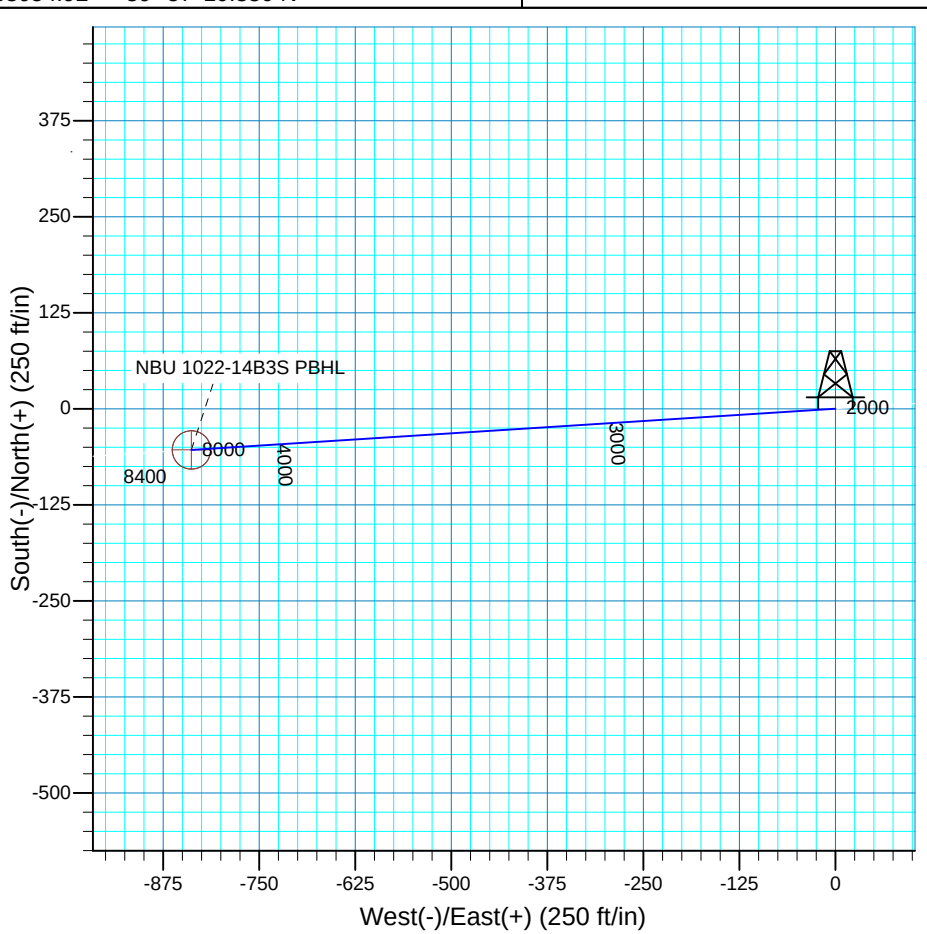
Magnetic Field
Strength: 52529.8snT
Dip Angle: 65.90°
Date: 2009-07-29
Model: IGRF200510

WELL DETAILS: NBU 1022-14B3S

GL 5234' & RKB 13' @ 5247.00ft 5234.00

+N/-S	+E/-W	Northing	Easting	Latitude	Longitude
0.00	0.00	596780.02	2588054.92	39° 57' 10.380 N	109° 24' 7.638 W





FORMATION TOP DETAILS

TVDPath	MDPath	Formation
901.00	901.00	Green River
4074.00	4216.30	Wasatch
7204.00	7356.49	Mesaverde

Plan: Plan #1 (NBU 1022-14B3S/OH)

Created By: Julie Cruse Date: 2009-07-29

PROJECT DETAILS: Uintah County, UT NAD27

Geodetic System: US State Plane 1927 (Exact solution)
Datum: NAD 1927 (NADCON CONUS)
Ellipsoid: Clarke 1866
Zone: Utah Central 4302
Location: Sec 14 T10S R22E
System Datum: Mean Sea Level
Local North: True

SECTION DETAILS

MD	Inc	Azi	TVD	+N/-S	+E/-W	DLeg	TFace	VSec	Target
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
2000.00	0.00	0.00	2000.00	0.00	0.00	0.00	0.00	0.00	
2833.33	25.00	266.34	2807.14	-11.42	-178.57	3.00	266.34	178.94	
3762.05	25.00	266.34	3648.85	-36.48	-570.27	0.00	0.00	571.43	
5012.05	0.00	0.00	4859.56	-53.61	-838.13	2.00	180.00	839.84	
8552.49	0.00	0.00	8400.00	-53.61	-838.13	0.00	0.00	839.84	NBU 1022-14B3S PBHL

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Scientific Drilling
Rocky Mountain Operations

Kerr McGee Oil and Gas Onshore LP

Uintah County, UT NAD27
NBU 1022-14B Pad
NBU 1022-14B3S
OH

Plan: Plan #1

Standard Planning Report

29 July, 2009

RECEIVED August 05, 2009

Database:	EDM 2003.16 Multi User Db	**Local Co-ordinate Reference:**	Well NBU 1022-14B3S
Company:	Kerr McGee Oil and Gas Onshore LP	**TVD Reference:**	GL 5234' & RKB 13' @ 5247.00ft
Project:	Uintah County, UT NAD27	**MD Reference:**	GL 5234' & RKB 13' @ 5247.00ft
Site:	NBU 1022-14B Pad	**North Reference:**	True
Well:	NBU 1022-14B3S	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	OH		
Design:	Plan #1		

Project Uintah County, UT NAD27

Map System:	US State Plane 1927 (Exact solution)	**System Datum:**	Mean Sea Level
Geo Datum:	NAD 1927 (NADCON CONUS)		
Map Zone:	Utah Central 4302		

Site NBU 1022-14B Pad, Sec 14 T10S R22E

Site Position:		**Northing:**	596,779.27 ft	**Latitude:**	39° 57' 10.368 N
From:	Lat/Long	**Easting:**	2,588,074.96 ft	**Longitude:**	109° 24' 7.381 W
Position Uncertainty:	0.00 ft	**Slot Radius:**	in	**Grid Convergence:**	1.34 °

Well NBU 1022-14B3S, 1227' FNL 1437' FEL

Well Position	**+N/-S**	0.00 ft	**Northing:**	596,780.02 ft	**Latitude:**	39° 57' 10.380 N
	+E/-W	0.00 ft	**Easting:**	2,588,054.92 ft	**Longitude:**	109° 24' 7.638 W
Position Uncertainty		0.00 ft	**Wellhead Elevation:**	ft	**Ground Level:**	5,234.00 ft

Wellbore OH

Magnetics	Model Name	Sample Date	Declination (°)	Dip Angle (°)	Field Strength (nT)
	IGRF200510	2009-07-29	11.25	65.90	52,530

Design Plan #1

Audit Notes:

Version:		**Phase:**	PLAN	**Tie On Depth:**	0.00

Vertical Section:	Depth From (TVD) (ft)	+N/-S (ft)	+E/-W (ft)	Direction (°)
	0.00	0.00	0.00	266.34

Plan Sections

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)	TFO (°)	Target
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
2,000.00	0.00	0.00	2,000.00	0.00	0.00	0.00	0.00	0.00	0.00	
2,833.33	25.00	266.34	2,807.14	-11.42	-178.57	3.00	3.00	0.00	266.34	
3,762.05	25.00	266.34	3,648.85	-36.48	-570.27	0.00	0.00	0.00	0.00	
5,012.05	0.00	0.00	4,859.56	-53.61	-838.13	2.00	-2.00	0.00	180.00	
8,552.49	0.00	0.00	8,400.00	-53.61	-838.13	0.00	0.00	0.00	0.00	NBU 1022-14B3S PB

Database:	EDM 2003.16 Multi User Db	**Local Co-ordinate Reference:**	Well NBU 1022-14B3S
Company:	Kerr McGee Oil and Gas Onshore LP	**TVD Reference:**	GL 5234' & RKB 13' @ 5247.00ft
Project:	Uintah County, UT NAD27	**MD Reference:**	GL 5234' & RKB 13' @ 5247.00ft
Site:	NBU 1022-14B Pad	**North Reference:**	True
Well:	NBU 1022-14B3S	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	OH		
Design:	Plan #1		

Planned Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
100.00	0.00	0.00	100.00	0.00	0.00	0.00	0.00	0.00	0.00
200.00	0.00	0.00	200.00	0.00	0.00	0.00	0.00	0.00	0.00
300.00	0.00	0.00	300.00	0.00	0.00	0.00	0.00	0.00	0.00
400.00	0.00	0.00	400.00	0.00	0.00	0.00	0.00	0.00	0.00
500.00	0.00	0.00	500.00	0.00	0.00	0.00	0.00	0.00	0.00
600.00	0.00	0.00	600.00	0.00	0.00	0.00	0.00	0.00	0.00
700.00	0.00	0.00	700.00	0.00	0.00	0.00	0.00	0.00	0.00
800.00	0.00	0.00	800.00	0.00	0.00	0.00	0.00	0.00	0.00
900.00	0.00	0.00	900.00	0.00	0.00	0.00	0.00	0.00	0.00
901.00	0.00	0.00	901.00	0.00	0.00	0.00	0.00	0.00	0.00
Green River									
1,000.00	0.00	0.00	1,000.00	0.00	0.00	0.00	0.00	0.00	0.00
1,100.00	0.00	0.00	1,100.00	0.00	0.00	0.00	0.00	0.00	0.00
1,200.00	0.00	0.00	1,200.00	0.00	0.00	0.00	0.00	0.00	0.00
1,300.00	0.00	0.00	1,300.00	0.00	0.00	0.00	0.00	0.00	0.00
1,400.00	0.00	0.00	1,400.00	0.00	0.00	0.00	0.00	0.00	0.00
1,500.00	0.00	0.00	1,500.00	0.00	0.00	0.00	0.00	0.00	0.00
1,600.00	0.00	0.00	1,600.00	0.00	0.00	0.00	0.00	0.00	0.00
1,700.00	0.00	0.00	1,700.00	0.00	0.00	0.00	0.00	0.00	0.00
1,800.00	0.00	0.00	1,800.00	0.00	0.00	0.00	0.00	0.00	0.00
1,900.00	0.00	0.00	1,900.00	0.00	0.00	0.00	0.00	0.00	0.00
Surface Casing									
2,000.00	0.00	0.00	2,000.00	0.00	0.00	0.00	0.00	0.00	0.00
2,100.00	3.00	266.34	2,099.95	-0.17	-2.61	2.62	3.00	3.00	0.00
2,200.00	6.00	266.34	2,199.63	-0.67	-10.44	10.46	3.00	3.00	0.00
2,300.00	9.00	266.34	2,298.77	-1.50	-23.47	23.51	3.00	3.00	0.00
2,400.00	12.00	266.34	2,397.08	-2.66	-41.65	41.74	3.00	3.00	0.00
2,500.00	15.00	266.34	2,494.31	-4.15	-64.94	65.08	3.00	3.00	0.00
2,600.00	18.00	266.34	2,590.18	-5.97	-93.28	93.48	3.00	3.00	0.00
2,700.00	21.00	266.34	2,684.43	-8.10	-126.59	126.85	3.00	3.00	0.00
2,800.00	24.00	266.34	2,776.81	-10.54	-164.78	165.12	3.00	3.00	0.00
2,833.33	25.00	266.34	2,807.14	-11.42	-178.57	178.94	3.00	3.00	0.00
2,900.00	25.00	266.34	2,867.56	-13.22	-206.69	207.11	0.00	0.00	0.00
3,000.00	25.00	266.34	2,958.19	-15.92	-248.87	249.38	0.00	0.00	0.00
3,100.00	25.00	266.34	3,048.82	-18.62	-291.04	291.64	0.00	0.00	0.00
3,200.00	25.00	266.34	3,139.45	-21.31	-333.22	333.90	0.00	0.00	0.00
3,300.00	25.00	266.34	3,230.09	-24.01	-375.39	376.16	0.00	0.00	0.00
3,400.00	25.00	266.34	3,320.72	-26.71	-417.57	418.42	0.00	0.00	0.00
3,500.00	25.00	266.34	3,411.35	-29.41	-459.74	460.68	0.00	0.00	0.00
3,600.00	25.00	266.34	3,501.98	-32.11	-501.92	502.95	0.00	0.00	0.00
3,700.00	25.00	266.34	3,592.61	-34.80	-544.10	545.21	0.00	0.00	0.00
3,762.05	25.00	266.34	3,648.85	-36.48	-570.27	571.43	0.00	0.00	0.00
3,800.00	24.24	266.34	3,683.34	-37.49	-586.04	587.24	2.00	-2.00	0.00
3,900.00	22.24	266.34	3,775.22	-40.00	-625.42	626.70	2.00	-2.00	0.00
4,000.00	20.24	266.34	3,868.43	-42.32	-661.57	662.93	2.00	-2.00	0.00
4,100.00	18.24	266.34	3,962.84	-44.42	-694.46	695.88	2.00	-2.00	0.00
4,200.00	16.24	266.34	4,058.34	-46.31	-724.04	725.52	2.00	-2.00	0.00
4,216.30	15.92	266.34	4,074.00	-46.60	-728.54	730.03	2.00	-2.00	0.00
Wasatch									
4,300.00	14.24	266.34	4,154.82	-47.99	-750.27	751.80	2.00	-2.00	0.00
4,400.00	12.24	266.34	4,252.15	-49.45	-773.13	774.71	2.00	-2.00	0.00
4,500.00	10.24	266.34	4,350.23	-50.70	-792.58	794.20	2.00	-2.00	0.00

Database:	EDM 2003.16 Multi User Db	**Local Co-ordinate Reference:**	Well NBU 1022-14B3S
Company:	Kerr McGee Oil and Gas Onshore LP	**TVD Reference:**	GL 5234' & RKB 13' @ 5247.00ft
Project:	Uintah County, UT NAD27	**MD Reference:**	GL 5234' & RKB 13' @ 5247.00ft
Site:	NBU 1022-14B Pad	**North Reference:**	True
Well:	NBU 1022-14B3S	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	OH		
Design:	Plan #1		

Planned Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
4,600.00	8.24	266.34	4,448.93	-51.72	-808.61	810.26	2.00	-2.00	0.00
4,700.00	6.24	266.34	4,548.12	-52.53	-821.18	822.86	2.00	-2.00	0.00
4,800.00	4.24	266.34	4,647.70	-53.11	-830.30	832.00	2.00	-2.00	0.00
4,900.00	2.24	266.34	4,747.54	-53.47	-835.94	837.65	2.00	-2.00	0.00
5,000.00	0.24	266.34	4,847.51	-53.61	-838.10	839.81	2.00	-2.00	0.00
5,012.05	0.00	0.00	4,859.56	-53.61	-838.13	839.84	2.00	-2.00	0.00
5,100.00	0.00	0.00	4,947.51	-53.61	-838.13	839.84	0.00	0.00	0.00
5,200.00	0.00	0.00	5,047.51	-53.61	-838.13	839.84	0.00	0.00	0.00
5,300.00	0.00	0.00	5,147.51	-53.61	-838.13	839.84	0.00	0.00	0.00
5,400.00	0.00	0.00	5,247.51	-53.61	-838.13	839.84	0.00	0.00	0.00
5,500.00	0.00	0.00	5,347.51	-53.61	-838.13	839.84	0.00	0.00	0.00
5,600.00	0.00	0.00	5,447.51	-53.61	-838.13	839.84	0.00	0.00	0.00
5,700.00	0.00	0.00	5,547.51	-53.61	-838.13	839.84	0.00	0.00	0.00
5,800.00	0.00	0.00	5,647.51	-53.61	-838.13	839.84	0.00	0.00	0.00
5,900.00	0.00	0.00	5,747.51	-53.61	-838.13	839.84	0.00	0.00	0.00
6,000.00	0.00	0.00	5,847.51	-53.61	-838.13	839.84	0.00	0.00	0.00
6,100.00	0.00	0.00	5,947.51	-53.61	-838.13	839.84	0.00	0.00	0.00
6,200.00	0.00	0.00	6,047.51	-53.61	-838.13	839.84	0.00	0.00	0.00
6,300.00	0.00	0.00	6,147.51	-53.61	-838.13	839.84	0.00	0.00	0.00
6,400.00	0.00	0.00	6,247.51	-53.61	-838.13	839.84	0.00	0.00	0.00
6,500.00	0.00	0.00	6,347.51	-53.61	-838.13	839.84	0.00	0.00	0.00
6,600.00	0.00	0.00	6,447.51	-53.61	-838.13	839.84	0.00	0.00	0.00
6,700.00	0.00	0.00	6,547.51	-53.61	-838.13	839.84	0.00	0.00	0.00
6,800.00	0.00	0.00	6,647.51	-53.61	-838.13	839.84	0.00	0.00	0.00
6,900.00	0.00	0.00	6,747.51	-53.61	-838.13	839.84	0.00	0.00	0.00
7,000.00	0.00	0.00	6,847.51	-53.61	-838.13	839.84	0.00	0.00	0.00
7,100.00	0.00	0.00	6,947.51	-53.61	-838.13	839.84	0.00	0.00	0.00
7,200.00	0.00	0.00	7,047.51	-53.61	-838.13	839.84	0.00	0.00	0.00
7,300.00	0.00	0.00	7,147.51	-53.61	-838.13	839.84	0.00	0.00	0.00
7,356.49	0.00	0.00	7,204.00	-53.61	-838.13	839.84	0.00	0.00	0.00
Mesaverde									
7,400.00	0.00	0.00	7,247.51	-53.61	-838.13	839.84	0.00	0.00	0.00
7,500.00	0.00	0.00	7,347.51	-53.61	-838.13	839.84	0.00	0.00	0.00
7,600.00	0.00	0.00	7,447.51	-53.61	-838.13	839.84	0.00	0.00	0.00
7,700.00	0.00	0.00	7,547.51	-53.61	-838.13	839.84	0.00	0.00	0.00
7,800.00	0.00	0.00	7,647.51	-53.61	-838.13	839.84	0.00	0.00	0.00
7,900.00	0.00	0.00	7,747.51	-53.61	-838.13	839.84	0.00	0.00	0.00
8,000.00	0.00	0.00	7,847.51	-53.61	-838.13	839.84	0.00	0.00	0.00
8,100.00	0.00	0.00	7,947.51	-53.61	-838.13	839.84	0.00	0.00	0.00
8,200.00	0.00	0.00	8,047.51	-53.61	-838.13	839.84	0.00	0.00	0.00
8,300.00	0.00	0.00	8,147.51	-53.61	-838.13	839.84	0.00	0.00	0.00
8,400.00	0.00	0.00	8,247.51	-53.61	-838.13	839.84	0.00	0.00	0.00
8,500.00	0.00	0.00	8,347.51	-53.61	-838.13	839.84	0.00	0.00	0.00
8,552.49	0.00	0.00	8,400.00	-53.61	-838.13	839.84	0.00	0.00	0.00

Database:	EDM 2003.16 Multi User Db	**Local Co-ordinate Reference:**	Well NBU 1022-14B3S
Company:	Kerr McGee Oil and Gas Onshore LP	**TVD Reference:**	GL 5234' & RKB 13' @ 5247.00ft
Project:	Uintah County, UT NAD27	**MD Reference:**	GL 5234' & RKB 13' @ 5247.00ft
Site:	NBU 1022-14B Pad	**North Reference:**	True
Well:	NBU 1022-14B3S	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	OH		
Design:	Plan #1		

Targets

Target Name - hit/miss target - Shape	Dip Angle (°)	Dip Dir. (°)	TVD (ft)	+N/-S (ft)	+E/-W (ft)	Northing (ft)	Easting (ft)	Latitude	Longitude
NBU 1022-14B3S PBHL - plan hits target center - Circle (radius 25.00)	0.00	0.00	8,400.00	-53.61	-838.13	596,706.76	2,587,218.28	39° 57' 9.850 N	109° 24' 18.401 W

Casing Points

Measured Depth (ft)	Vertical Depth (ft)	Name	Casing Diameter (in)	Hole Diameter (in)
1,900.00	1,900.00	Surface Casing	9.625	13.500

Formations

Measured Depth (ft)	Vertical Depth (ft)	Name	Lithology	Dip (°)	Dip Direction (°)
901.00	901.00	Green River		0.00	
4,216.30	4,074.00	Wasatch		0.00	
7,356.49	7,204.00	Mesaverde		0.00	

NBU 1022-14B3S
(FKA NBU 1022-14A)
Pad: NBU 1022-14B
Surface: 1,227' FNL 1,437' FEL (NW/4NE/4)
BHL: 1,280' FNL 2,277' FEL (NW/4NE/4)
Sec. 14 T10S R22E

Uintah, Utah
Mineral Lease: UO 01197A

ONSHORE ORDER NO. 1

MULTI-POINT SURFACE USE & OPERATIONS PLAN SUBMITTED WITH SITE-SPECIFIC INFORMATION

Directional Drilling:
In accordance with Utah Oil & Gas Conservation Rule R649-3-11 pertaining to Directional Drilling, this well will be directionally drilled in order to access portions of our lease which are otherwise inaccessible due to topography.

1. Existing Roads:
A) Refer to Topo Map A for directions to the location.
B) Refer to Topo Maps A and B for location of access roads within a 2-mile radius.

2. Planned Access Roads:
See MDP for additional details on road construction.
No new access road is proposed. Please refer to the attached Topo Map B. No pipelines will be crossed with the new construction.

Existence of pipelines; maximum grade; turnouts; major cut and fills, culverts, or bridges; gates, cattle guards, fence cuts, or modifications to existing facilities were determined at the on-site and are typically shown on the attached Exhibits and Topo maps.

3. Location of Existing Wells Within a 1-Mile Radius:
Please refer to Topo Map C.

4. Location of Existing and Proposed Facilities:
See MDP for additional details on Existing and Proposed Facilities.

The following guidelines will apply if the well is productive.
No new pipeline is proposed. Refer to Topo D for the existing pipeline. Pipeline segments will be welded or zaplocked together on disturbed areas in or near the location, whenever possible, and dragged into place.

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5. Location and Type of Water Supply:
See MDP for additional details on Location and Type of Water Supply.

Water for drilling purposes will be obtained from one of the following sources:

- Dalbo Inc.'s underground well located in Ouray, Utah, Sec. 32 T4S R3E, Water User Claim number 43-8496, application number 53617.
- Price Water Pumping Inc. Green River and White River, various sources, Water Right Number 49-1659, application number: a35745.

Water will be hauled to location over the roads marked on Maps A and B.

No water well is to be drilled on this lease.

6. Source of Construction Materials:
See MDP for additional details on Source of Construction Materials.

7. Methods of Handling Waste Materials:
See MDP for additional details on Methods of Handling Waste Materials.

Any produced water from the proposed well will be contained in a water tank and will then be hauled by truck to one of the pre-approved disposal sites:

RNI in Sec. 5 T9S R22E
NBU #159 in Sec. 35 T9S R21E
Ace Oilfield in Sec. 2 T6S R20E
MC&MC in Sec. 12 T6S R19E
Pipeline Facility in Sec. 36 T9S R20E
Goat Pasture Evaporation Pond in SW/4 Sec. 16 T10S R22E
Bonanza Evaporation Pond in Sec. 2 T10S R23E

8. Ancillary Facilities:
See MDP for additional details on Ancillary Facilities.

None are anticipated.

9. Well Site Layout: (See Location Layout Diagram)
See MDP for additional details on Well Site Layout.

All pits will be fenced according to the following minimum standards:

- Net wire (39-inch) will be used with at least one strand of barbed wire on top of the net wire. Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.
- The net wire shall be no more than two inches above the ground. The barbed wire shall be three inches over the net wire. Total height of the fence shall be at least 42 inches.
- Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.

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- Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any 2 fence posts shall be no greater than 16 feet.
- All wire shall be stretched, by using a stretching device, before it is attached to corner posts.

10. Plans for Reclamation of the Surface:
See MDP for additional details on Plans for Reclamation of the Surface.

11. Surface/Mineral Ownership:
SITLA
675 East 500 South, Suite 500
Salt Lake City, UT 84102

12. Other Information:
See MDP for additional details on Other Information.

The NBU 1022-14B pad size will not be affected by the changes for this well, therefore the Cultural Resource Report (Report Moac #08-236) and Paleontological Report (Report IPC #08-135) previously approved with the other wells on this pad is applicable.

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13. Lessee's or Operators' Representative & Certification:

Kathy Schneebeck Dulnoan
Regulatory Analyst
Kerr-McGee Oil & Gas Onshore LP
PO Box 173779
Denver, CO 80217-3779
(720) 929-6007

Tommy Thompson
General Manager, Drilling
Kerr-McGee Oil & Gas Onshore LP
PO Box 173779
Denver, CO 80217-3779
(720-929-6724

Certification: All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice to Lessees.

The Operator will be fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

Kerr-McGee Oil & Gas Onshore LP is considered to be the operator of the subject well. Kerr-McGee Oil & Gas Onshore LP agrees to be responsible under terms and conditions of the lease for the operations conducted upon leased lands.

Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided by Bureau of Land Management Nationwide Bond WYB000291.

I hereby certify that I, or persons under my supervision, have inspected the proposed drill site and access route, that I am familiar with the conditions that currently exist; that I have full knowledge of the State and Federal laws applicable to this operation; that the statements made in this plan are, to the best of my knowledge, true and correct; and the work associated with the operations proposed herein will be performed in conformity with this APD package and the terms and conditions under which it is approved. I also certify that I, or the company I represent, am responsible for operations conducted under this application. These statements are subject to the provisions of 18 U.S.C. 1001 for the filing of false statements.

Kathy Schneebeck Dulnoan

August 5, 2009
Date

LATITUDE & LONGITUDE Surface Position - (NAD 83)		
WELL	N. LATITUDE	W. LONGITUDE
NBU 1022-14B3S	39°57'10.257" 39.952849°	109°24'10.089" 109.402802°
NBU 1022-14A1S	39°57'10.245" 39.952846°	109°24'09.833" 109.402731°
NBU 1022-14H4S	39°57'10.234" 39.952843°	109°24'09.575" 109.402660°
NBU 1022-14A4S	39°57'10.224" 39.952840°	109°24'09.318" 109.402588°
NBU 1022-14H1S	39°57'10.213" 39.952837°	109°24'09.064" 109.402518°

LATITUDE & LONGITUDE Bottom Hole - (NAD 83)		
WELL	N. LATITUDE	W. LONGITUDE
NBU 1022-14B3S	39°57'09.727" 39.952702°	109°24'20.853" 109.405792°
NBU 1022-14A1S	39°57'18.970" 39.955269°	109°23'59.734" 109.399926°
NBU 1022-14H4S	39°57'02.174" 39.950604°	109°23'58.965" 109.399712°
NBU 1022-14A4S	39°57'14.227" 39.953952°	109°23'59.517" 109.399866°
NBU 1022-14H1S	39°57'06.966" 39.951935°	109°23'59.184" 109.399773°

BASIS OF BEARINGS IS THE EAST LINE OF THE NE 1/4 OF SECTION 14, T10S, R22E, S.L.B.&M. WHICH IS TAKEN FROM GLOBAL POSITIONING SATELLITE OBSERVATIONS TO BEAR N02°03'35"W.

N

Az=41.65611°
N41°39'22"E - 1182.59'
(To Bottom Hole)

SURFACE POSITION FOOTAGES:

NBU 1022-14B3S
1227' FNL & 1437' FEL

NBU 1022-14A1S
1228' FNL & 1417' FEL

NBU 1022-14H4S
1229' FNL & 1397' FEL

NBU 1022-14A4S
1230' FNL & 1377' FEL

NBU 1022-14H1S
1231' FNL & 1358' FEL

BOTTOM HOLE FOOTAGES

NBU 1022-14B3S
1280' FNL & 2277' FEL

NBU 1022-14A1S
345' FNL & 600' FEL

NBU 1022-14H4S
2045' FNL & 600' FEL

NBU 1022-14A4S
825' FNL & 600' FEL

NBU 1022-14H1S
1560' FNL & 600' FEL

RELATIVE COORDINATES From Surface Position to Bottom Hole		
WELL	NORTH	EAST
NBU 1022-14B3S	-54'	-838'
NBU 1022-14A1S	884'	786'
NBU 1022-14H4S	-815'	827'
NBU 1022-14A4S	406'	763'
NBU 1022-14H1S	-328'	770'

Az=62.00722°
N62°00'26"E - 864.32'
(To Bottom Hole)

Az=266.30500°
S86°18'18"W - 840.17'
(To Bottom Hole)

N86°50'38"W
Az=273.15611°

20' 20' 20' 20'

NBU 1022-14B3S
NBU 1022-14A1S
NBU 1022-14H4S
NBU 1022-14A4S
NBU 1022-14H1S

Az=113.08361°
S66°54'59"E - 836.82'
(To Bottom Hole)

Az=134.58917°
S45°24'39"E - 1161.33'
(To Bottom Hole)

LATITUDE & LONGITUDE Surface Position - (NAD 27)		
WELL	N. LATITUDE	W. LONGITUDE
NBU 1022-14B3S	39°57'10.380" 39.952883°	109°24'07.638" 109.402122°
NBU 1022-14A1S	39°57'10.368" 39.952880°	109°24'07.381" 109.402050°
NBU 1022-14H4S	39°57'10.357" 39.952877°	109°24'07.123" 109.401979°
NBU 1022-14A4S	39°57'10.347" 39.952874°	109°24'06.867" 109.401907°
NBU 1022-14H1S	39°57'10.335" 39.952871°	109°24'06.613" 109.401837°

LATITUDE & LONGITUDE Bottom Hole - (NAD 27)		
WELL	N. LATITUDE	W. LONGITUDE
NBU 1022-14B3S	39°57'09.850" 39.952736°	109°24'18.401" 109.405111°
NBU 1022-14A1S	39°57'19.093" 39.955304°	109°23'57.283" 109.399245°
NBU 1022-14H4S	39°57'02.297" 39.950638°	109°23'56.514" 109.399032°
NBU 1022-14A4S	39°57'14.350" 39.953986°	109°23'57.066" 109.399185°
NBU 1022-14H1S	39°57'07.089" 39.951969°	109°23'56.734" 109.399093°

60' 30' 0' 60'

SCALE

Kerr-McGee Oil & Gas Onshore, LP
1099 18th Street - Denver, Colorado 80202

WELL PAD - NBU 1022-14B

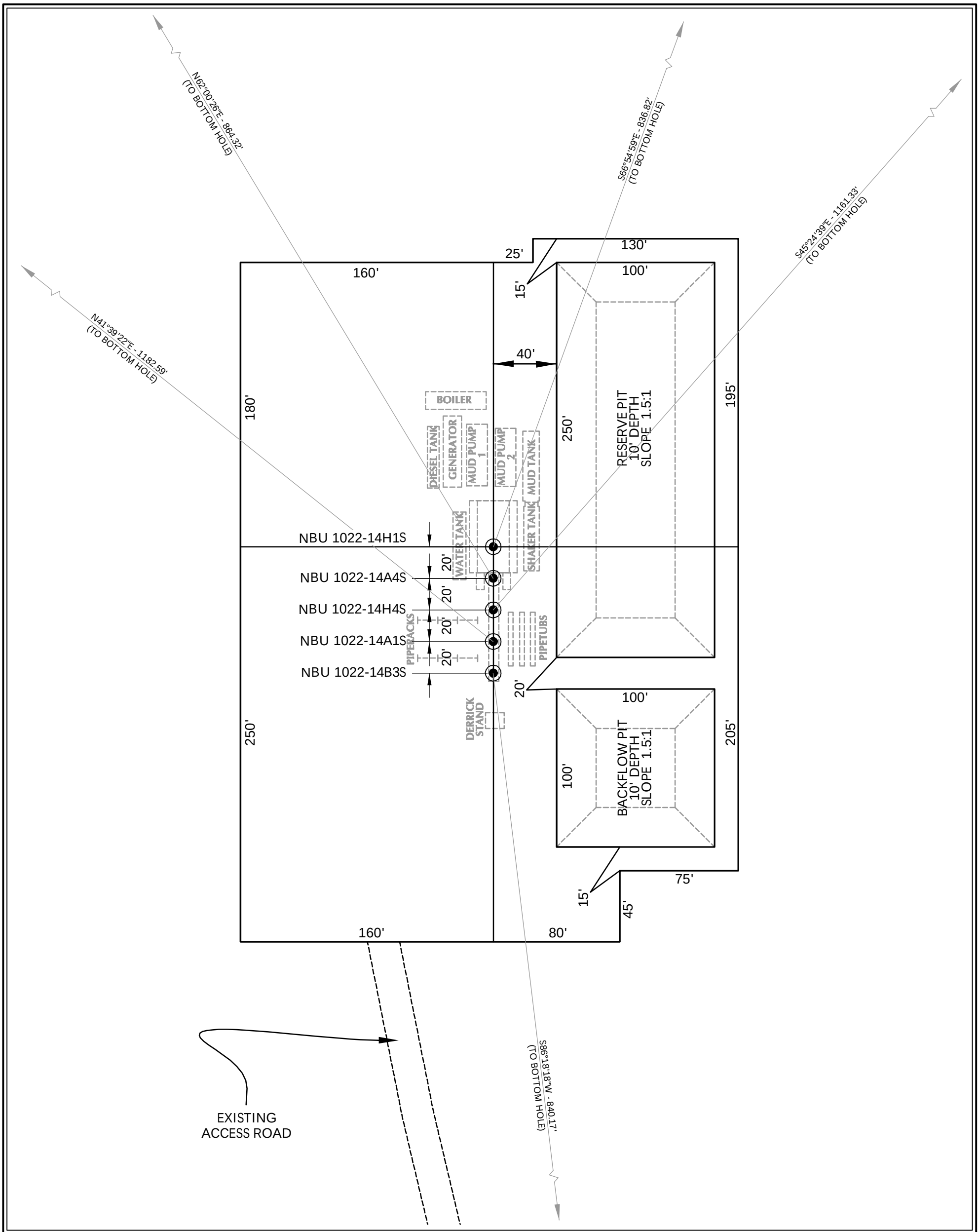
WELL PAD INTERFERENCE PLAT
WELLS - NBU 1022-14B3S,
NBU 1022-14A1S, NBU 1022-14H4S,
NBU 1022-14A4S & NBU 1022-14H1S
LOCATED IN SECTION 14, T10S, R22E,
S.L.B.&M., UINTAH COUNTY, UTAH.

609 CONSULTING, LLC
371 Coffeen Avenue
Sheridan WY 82801
Phone 307-674-0609
Fax 307-674-0182

TIMBERLINE (435) 789-1365
ENGINEERING & LAND SURVEYING, INC.
209 NORTH 300 WEST - VERNAL, UTAH 84078

DATE SURVEYED: 07-17-09	SURVEYED BY: D.J.S.	SHEET NO: 6
DATE DRAWN: 07-21-09	DRAWN BY: M.W.W.	6 OF 12
SCALE: 1" = 60'	Date Last Revised:	

RECEIVED August 05, 2009



WELL PAD NBU 1022-14B QUANTITIES

EXISTING GRADE @ CENTER OF WELL PAD = 5,234.7'
RESERVE PIT CAPACITY (2' OF FREEBOARD)
+/- 27,180 BARRELS
RESERVE PIT VOLUME
+/- 7,430 CY
BACKFLOW PIT CAPACITY (2' OF FREEBOARD)
+/- 9,660 BARRELS
BACKFLOW PIT VOLUME
+/- 2,705 CY

WELL PAD LEGEND

- EXISTING WELL LOCATION
- PROPOSED WELL LOCATION
- PROPOSED BOTTOM HOLE LOCATION

HORIZONTAL 0 30 60 1" = 60'

Kerr-McGee Oil & Gas Onshore, LP
1099 18th Street - Denver, Colorado 80202

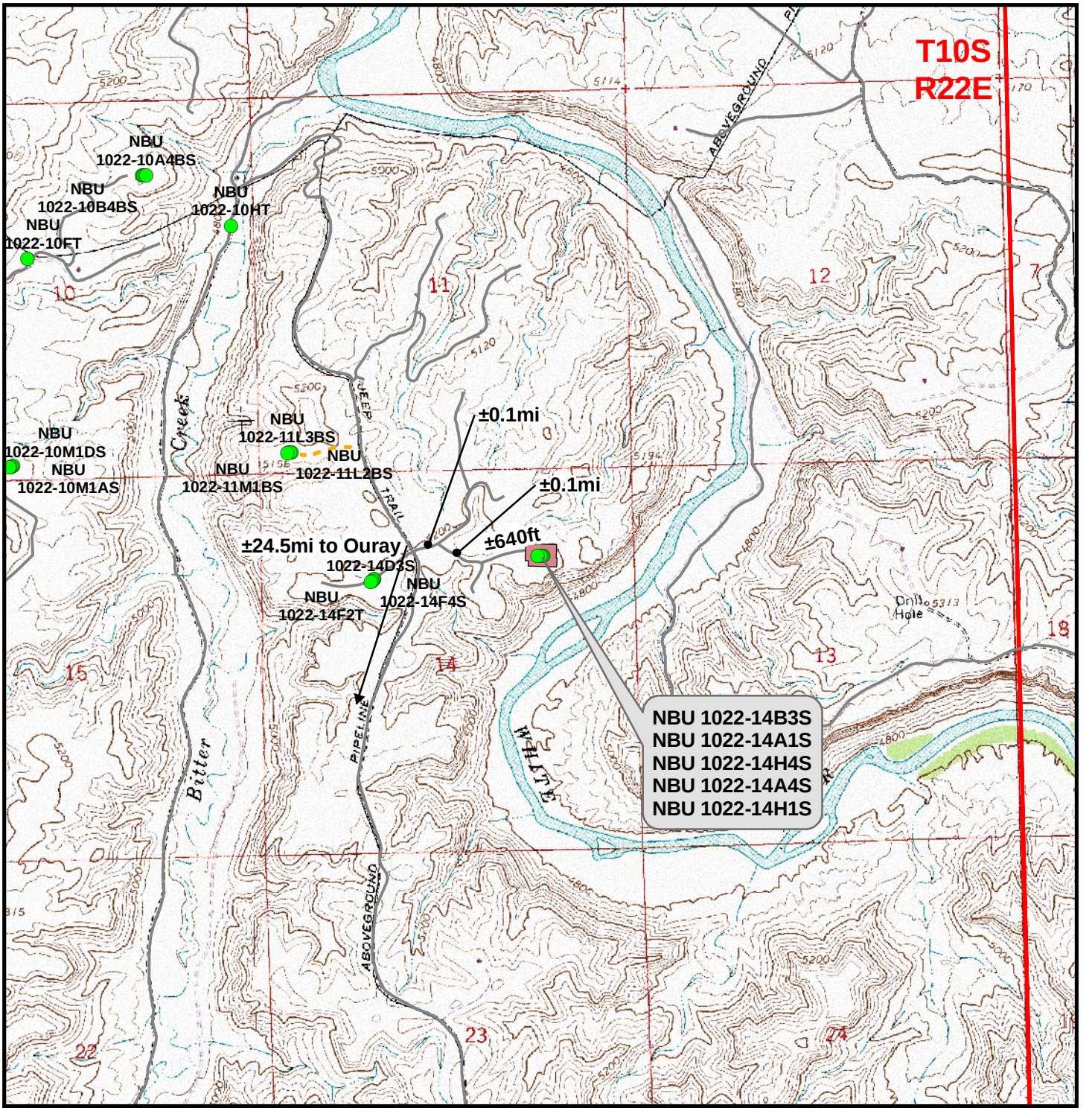
WELL PAD - NBU 1022-14B

WELL PAD - LOCATION LAYOUT
WELLS - NBU 1022-14B3S,
NBU 1022-14A1S, NBU 1022-14H4S,
NBU 1022-14A4S & NBU 1022-14H1S
LOCATED IN SECTION 14, T10S, R22E
S.L.B.&M., UINTAH COUNTY, UTAH

609 CONSULTING, LLC
371 Coffeen Avenue
Sheridan WY 82801
Phone 307-674-0609
Fax 307-674-0182

Scale: 1"=60' | Date: 7/21/2009 | SHEET NO: 7 7 OF 12
REVISED:

TIMBERLINE (435) 789-1365
ENGINEERING & LAND SURVEYING, INC.
209 NORTH 300 WEST - VERNAL, UTAH 84078



Legend

Well - Proposed | Well Pad | Road - Proposed | Road - Existing

Total Proposed Road Length: ±0ft

Kerr-McGee Oil & Gas Onshore, LP
1099 18th Street, Denver, Colorado 80202

Well Pad - NBU 1022-14B

NBU 1022-14B3S,
NBU 1022-14A1S, NBU 1022-14H4S,
NBU 1022-14A4S & NBU 1022-14H1S
Topo B
Located In Section 14, T10S, R22E
S.L.B.&M., Uintah County, Utah

609 CONSULTING, LLC
371 Coffeen Avenue
Sheridan, WY 82801
Phone (307) 674-0609
Fax (307) 674-0182

N

Scale: 1" = 2,000ft	NAD83 USP Central	Sheet No: 9	9 of 12
Drawn: JELo	Date: 22 July 2009		
Revised:	Date:		

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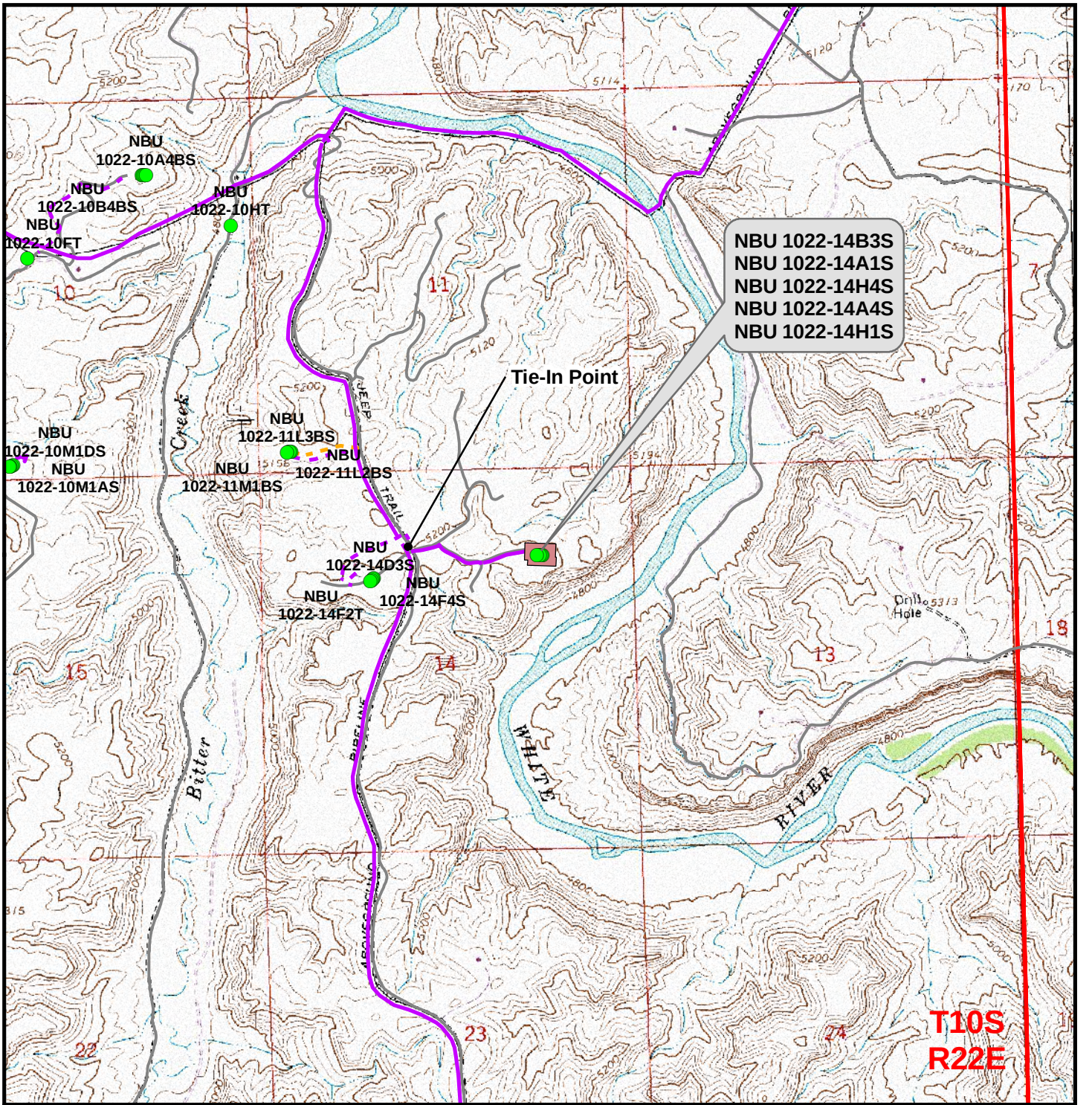

Legend

Proposed Pipeline Length: ±0ft

Well - Proposed | Well Pad | Pipeline - Proposed | Road - Proposed | Pipeline - Existing | Road - Existing

Kerr-McGee Oil & Gas Onshore, LP
1099 18th Street, Denver, Colorado 80202

Well Pad - NBU 1022-14B

NBU 1022-14B3S,
NBU 1022-14A1S, NBU 1022-14H4S,
NBU 1022-14A4S & NBU 1022-14H1S
Topo D
Located In Section 14, T10S, R22E
S.L.B.&M., Uintah County, Utah

609 CONSULTING, LLC
371 Coffeen Avenue
Sheridan, WY 82801
Phone (307) 674-0609
Fax (307) 674-0182

N

Scale: 1" = 2,000ft	NAD83 USP Central	Sheet No: 11	11 of 12
Drawn: JELo	Date: 22 July 2009		
Revised:	Date:		

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Kerr-McGee Oil & Gas Onshore, LP
WELL PAD - NBU 1022-14B
WELLS – NBU 1022-14B3S, NBU 1022-14A1S, NBU 1022-14H4S,
NBU 1022-14A4S & NBU 1022-14H1S
Section 14, T10S, R22E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 13.9 MILES TO THE JUNCTION OF STATE HIGHWAY 88. EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION ALONG STATE HIGHWAY 88 APPROXIMATELY 16.8 MILES TO OURAY, UTAH. FROM OURAY, PROCEED IN A SOUTHERLY DIRECTION ALONG THE SEEP RIDGE ROAD (COUNTY B ROAD 2810) APPROXIMATELY 11.2 MILES TO THE INTERSECTION OF THE GLEN BENCH ROAD (COUNTY B ROAD 3260). EXIT LEFT AND PROCEED IN AN EASTERLY, THEN SOUTHEASTERLY DIRECTION ALONG THE GLEN BENCH ROAD APPROXIMATELY 5.2 MILES TO THE INTERSECTION OF THE BITTER CREEK ROAD (COUNTY B ROAD 4120). EXIT RIGHT AND PROCEED IN A SOUTHEASTERLY, THEN NORTHEASTERLY, THEN SOUTHERLY DIRECTION ALONG THE BITTER CREEK ROAD APPROXIMATELY 4.2 MILES TO THE INTERSECTION OF THE BITTER CREEK CUT OFF ROAD (COUNTY B ROAD 4140). EXIT LEFT AND PROCEED IN AN EASTERLY DIRECTION ALONG THE BITTER CREEK CUT OFF ROAD APPROXIMATELY 1.5 MILES TO THE ARCHY BENCH ROAD (COUNTY B ROAD 4150). EXIT LEFT AND PROCEED IN A NORTHERLY DIRECTION ALONG THE ARCHY BENCH ROAD APPROXIMATELY 2.4 MILES TO A SERVICE ROAD TO THE EAST. EXIT RIGHT AND PROCEED IN AN EASTERLY DIRECTION ALONG THE SERVICE ROAD APPROXIMATELY 0.1 MILES TO A SECOND SERVICE ROAD TO THE SOUTHEAST. EXIT RIGHT AND PROCEED IN A SOUTHEASTERLY DIRECTION ALONG THE SECOND SERVICE ROAD APPROXIMATELY 0.1 MILES TO THE EXISITNG ACCESS ROAD. FOLLOW EXISTING ROAD IN AN EASTERLY DIRECTION APPROXIMATELY 640 FEET TO THE WELL LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE WELL LOCATION IS APPROXIMATELY 55.5 MILES IN A SOUTHERLY DIRECTION.

RECEIVED August 05, 2009

API Well No: 43047395240000

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5.LEASE DESIGNATION AND SERIAL NUMBER: STUO01197-AST

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME: NATURAL BUTTES

1. TYPE OF WELL Gas Well

8. WELL NAME and NUMBER: NBU 1022-14B3S

2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.

9. API NUMBER: 43047395240000

3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779

PHONE NUMBER: 720 929-6007 Ext

9. FIELD and POOL or WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 1227 FNL 1437 FEL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NENE Section: 14 Township: 10.0S Range: 22.0E Meridian: S

COUNTY: UINTAH

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT Approximate date work will start:	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
✓ SPUD REPORT Date of Spud: 8/18/2009	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
☐ DRILLING REPORT Report Date:	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

MIRU PETE MARTIN BUCKET RIG. DRILLED 20" CONDUCTOR HOLE TO 40'. RAN 14" 36.7# SCHEDULE 10 PIPE. CMT W/28 SX READY MIX. SPUD WELL LOCATION ON 08/18/2009 AT 1400 HRS.

Accepted by the Utah Division of Oil, Gas and Mining
FOR RECORD ONLY
August 19, 2009

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Sheila Wopsock	435 781-7024	Regulatory Analyst
SIGNATURE N/A		**DATE** 8/19/2009

RECEIVED August 19, 2009

API Well No: 43047395240000

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

FORM 9

5.LEASE DESIGNATION AND SERIAL NUMBER:
STUO01197-AST

SUNDRY NOTICES AND REPORTS ON WELLS

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6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME:
NATURAL BUTTES

1. TYPE OF WELL
Gas Well

8. WELL NAME and NUMBER:
NBU 1022-14B3S

2. NAME OF OPERATOR:
KERR-MCGEE OIL & GAS ONSHORE, L.P.

9. API NUMBER:
43047395240000

3. ADDRESS OF OPERATOR:
P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779

PHONE NUMBER:
720 929-6007 Ext

9. FIELD and POOL or WILDCAT:
NATURAL BUTTES

4. LOCATION OF WELL
FOOTAGES AT SURFACE:
1227 FNL 1437 FEL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
Qtr/Qtr: NENE Section: 14 Township: 10.0S Range: 22.0E Meridian: S

COUNTY:
UINTAH

STATE:
UTAH

11.
CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT Approximate date work will start:	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐ SPUD REPORT Date of Spud:	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
✓ DRILLING REPORT Report Date: 9/2/2009	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

MIRU PROPETRO AIR RIG ON 09/01/2009. DRILLED 12-1/4" SURFACE HOLE TO 1970'. RAN 9-5/8" 36# J-55 SURFACE CSG. CMT W/250 SX TAIL CLASS G PREM LITE @ 15.8 PPG, 1.15 YIELD. TOP OUT W/450 SX CLASS G PREM LITE @ 15.8 PPG, 1.15 YIELD. FLOAT GOOD. WORT.

Accepted by the Utah Division of Oil, Gas and Mining

FOR RECORD ONLY
September 03, 2009

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Andy Lytle	720 929-6100	Regulatory Analyst
SIGNATURE		**DATE**
N/A		9/3/2009

RECEIVED September 03, 2009

API Well No: 43047395240000

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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5.LEASE DESIGNATION AND SERIAL NUMBER: STUO01197-AST

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME: NATURAL BUTTES

1. TYPE OF WELL: Gas Well

8. WELL NAME and NUMBER: NBU 1022-14B3S

2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.

9. API NUMBER: 43047395240000

3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779

PHONE NUMBER: 720 929-6007 Ext

9. FIELD and POOL or WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 1227 FNL 1437 FEL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NENE Section: 14 Township: 10.0S Range: 22.0E Meridian: S

COUNTY: UINTAH

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
✓ NOTICE OF INTENT Approximate date work will start: 9/14/2009	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
☐ SPUD REPORT Date of Spud:	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐ DRILLING REPORT Report Date:	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	✓ OTHER	OTHER: Frac Factory Pit Refurb

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Kerr-McGee Oil & Gas Onshore, LP is requesting to refurb the existing pit on this pad for completion operations. The refurb pit will be relined per the requirements in the COA of the APD. Upon completion of the wells on this pad KMG is also requesting to utilize this pit as a staging pit to be utilized for other completion operations in the area. There will be 2 - 400 bbl upright skim tanks placed on location. The trucks will unload water into these tanks before the water is placed into the refurbed pit. The purpose of the skim tanks is to collect any hydro-carbons that may have been associated with the other completion operations before releasing into the pit. We plan to keep this pit open for 1 year. During this time the attached well location completion fluids will be recycled in this pit and utilized for other frac jobs in the area.

Accepted by the Utah Division of Oil, Gas and Mining
FOR RECORD ONLY
September 14, 2009

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Raleen White	720 929-6666	Sr. Regulatory Analyst
SIGNATURE N/A		**DATE** 9/14/2009

RECEIVED September 14, 2009

API Well No: 43047395240000

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

FORM 9

5.LEASE DESIGNATION AND SERIAL NUMBER: STUO01197-AST

SUNDRY NOTICES AND REPORTS ON WELLS

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6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME: NATURAL BUTTES

1. TYPE OF WELL Gas Well

8. WELL NAME and NUMBER: NBU 1022-14B3S

2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.

9. API NUMBER: 43047395240000

3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779

PHONE NUMBER: 720 929-6007 Ext

9. FIELD and POOL or WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 1227 FNL 1437 FEL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NENE Section: 14 Township: 10.0S Range: 22.0E Meridian: S

COUNTY: UINTAH

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
✓ NOTICE OF INTENT Approximate date work will start: 9/28/2009	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
☐ SPUD REPORT Date of Spud:	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐ DRILLING REPORT Report Date:	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	✓ OTHER	OTHER: Frac Factory/Pit Refurb

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Kerr-McGee Oil & Gas Onshore, LP is requesting to refurb the existing pit on this pad for completion operations. The refurb pit will be relined per the requirements in the COA of the APD. Upon completion of the wells on this pad KMG is also requesting to utilize this pit as a staging pit to be utilized for other completion operations in the area. There will be 2 - 400 bbl upright skim tanks placed on location. The trucks will unload water into these tanks before the water is placed into the refurbed pit. The purpose of the skim tanks is to collect any hydro-carbons that may have been associated with the other completion operations before releasing into the pit. We plan to keep this pit open for 1 year. During this time the attached well location completion fluids will be recycled in this pit and utilized for other frac jobs in the area.

Approved by the Utah Division of Oil, Gas and Mining

Date: September 30, 2009

By:

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Raleen White	720 929-6666	Sr. Regulatory Analyst
SIGNATURE N/A		**DATE** 9/30/2009

The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Sundry Conditions of Approval Well Number 43047395240000

A synthetic liner with a minimum thickness of 30 mils shall be properly installed and maintained in the pit.

Approved by the
Utah Division of
Oil, Gas and Mining

Date: September 30, 2009

By:

API Well No: 43047395240000

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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5.LEASE DESIGNATION AND SERIAL NUMBER: STUO01197-AST

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME: NATURAL BUTTES

1. TYPE OF WELL Gas Well

8. WELL NAME and NUMBER: NBU 1022-14B3S

2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.

9. API NUMBER: 43047395240000

3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779

PHONE NUMBER: 720 929-6007 Ext

9. FIELD and POOL or WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 1227 FNL 1437 FEL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NENE Section: 14 Township: 10.0S Range: 22.0E Meridian: S

COUNTY: UINTAH

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT Approximate date work will start:	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
☐ SPUD REPORT Date of Spud:	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
✓ DRILLING REPORT Report Date: 11/19/2009	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

FINISHED DRILLING FROM 1970' TO 8655' ON 11/17/2009. RAN 4-1/2" 11.6# I-80 PRODUCTION CSG. PUMP 40 BBLS AHEAD. LEAD CMT W/450 SX ECONOCEM @ 12.2 PPG, 2.13 YIELD. TAILED CMT W/1350 SX CLASS G 50/50 POZ MIX @ 14.3 PPG, 1.25 YIELD. DROP PLUG AND DISPLACED W/133.6 BBLS. BUMP PLUG 500 OVER FINAL CIRC PSI OF 2550 & HAD FULL RETURNS DURING JOB & NO CMT BACK TO PIT. RELEASE ENSIGN 139 RIG ON 11/19/2009 AT 16:00 HRS.

Accepted by the Utah Division of Oil, Gas and Mining

FOR RECORD ONLY

November 23, 2009

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Andy Lytle	720 929-6100	Regulatory Analyst
SIGNATURE N/A		**DATE** 11/23/2009

RECEIVED November 23, 2009

API Well No: 43047395240000

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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5.LEASE DESIGNATION AND SERIAL NUMBER: STUO01197-AST

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME: NATURAL BUTTES

1. TYPE OF WELL Gas Well

8. WELL NAME and NUMBER: NBU 1022-14B3S

2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.

9. API NUMBER: 43047395240000

3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779

PHONE NUMBER: 720 929-6007 Ext

9. FIELD and POOL or WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 1227 FNL 1437 FEL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NENE Section: 14 Township: 10.0S Range: 22.0E Meridian: S

COUNTY: UINTAH

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
✓ NOTICE OF INTENT Approximate date work will start: 7/19/2010	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
☐ SPUD REPORT Date of Spud:	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
☐ DRILLING REPORT Report Date:	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	✓ OTHER	OTHER: UPDATE WATER SOUI

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Kerr-McGee Oil & Gas Onshore, LP respectfully requests to update the water source for this location to Permit Numbers 49-2306 and 49-2319, both obtained by R.N. Industries. Please contact the undersigned for with any questions.

Accepted by the Utah Division of Oil, Gas and Mining

Date: July 22, 2010

By: Dustin Doucet

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Andy Lytle	720 929-6100	Regulatory Analyst
SIGNATURE		**DATE**
N/A		7/19/2010

API Well No: 43047395240000

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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5.LEASE DESIGNATION AND SERIAL NUMBER: STUO01197-AST

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME: NATURAL BUTTES

1. TYPE OF WELL Gas Well

8. WELL NAME and NUMBER: NBU 1022-14B3S

2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.

9. API NUMBER: 43047395240000

3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779 **PHONE NUMBER:** 720 929-6007 Ext

9. FIELD and POOL or WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 1227 FNL 1437 FEL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NENE Section: 14 Township: 10.0S Range: 22.0E Meridian: S

COUNTY: UINTAH

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT Approximate date work will start:	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
☐ SPUD REPORT Date of Spud:	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
✓ DRILLING REPORT Report Date: 8/6/2010	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	✓ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

THE SUBJECT WELL WAS PLACED ON PRODUCTION ON AUGUST 6, 2010 AT 11:15 A.M. THE CHRONOLOGICAL WELL HISTORY WILL BE SUBMITTED WITH THE WELL COMPLETION REPORT.

Accepted by the Utah Division of Oil, Gas and Mining

FOR RECORD ONLY

August 11, 2010

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Andy Lytle	720 929-6100	Regulatory Analyst
SIGNATURE N/A		**DATE** 8/10/2010

API Well No: 43047395240000

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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5.LEASE DESIGNATION AND SERIAL NUMBER: STUO01197-AST

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME: NATURAL BUTTES

1. TYPE OF WELL Gas Well

8. WELL NAME and NUMBER: NBU 1022-14B3S

2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.

9. API NUMBER: 43047395240000

3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779 **PHONE NUMBER:** 720 929-6007 Ext

9. FIELD and POOL or WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 1227 FNL 1437 FEL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NENE Section: 14 Township: 10.0S Range: 22.0E Meridian: S

COUNTY: UINTAH

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT Approximate date work will start:	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
✓ SUBSEQUENT REPORT Date of Work Completion: 9/2/2010	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
☐ SPUD REPORT Date of Spud:	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐ DRILLING REPORT Report Date:	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	✓ OTHER	OTHER: Location

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

PLEASE BE ADVISED THAT THE SURFACE LOCATION FOR THIS WELL IS IN THE NW/4NE/4. THE OPERATOR REQUESTS THAT ALL FUTURE FILINGS REFLECT THIS LOCATION. THANK YOU.

Accepted by the Utah Division of Oil, Gas and Mining

FOR RECORD ONLY

September 07, 2010

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Andy Lytle	720 929-6100	Regulatory Analyst
SIGNATURE N/A		**DATE** 9/2/2010

RECEIVED September 02, 2010

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

AMENDED REPORT ☐ (highlight changes) FORM 8

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. LEASE DESIGNATION AND SERIAL NUMBER: STUO01197-AST
6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
7. UNIT or CA AGREEMENT NAME: UTU63047A
8. WELL NAME and NUMBER: NBU 1022-14B3S
9. API NUMBER: 4304739524
10 FIELD AND POOL, OR WILDCAT: NATURAL BUTTES

1a. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ DRY ☐ OTHER
b. TYPE OF WORK: NEW WELL ☑ HORIZ. LATS. ☐ DEEP-EN ☐ RE-ENTRY ☐ DIFF. RESVR. ☐ OTHER

2. NAME OF OPERATOR: KERR MCGEE OIL & GAS ONSHORE, L.P.

3. ADDRESS OF OPERATOR: P.O.BOX 173779 CITY DENVER STATE CO ZIP 80217
PHONE NUMBER: (720) 929-6100

4. LOCATION OF WELL (FOOTAGES)
AT SURFACE: NWNE 1227 FNL 1437 FEL S14,T10S,R22E
AT TOP PRODUCING INTERVAL REPORTED BELOW: NWNE 1264 FNL 2286 FEL S14, T10S, R22E
AT TOTAL DEPTH: NWNE 1300 FNL 2261 FEL S14, T10S, R22E

11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNE 14 20S 22E S
12. COUNTY: UINTAH
13. STATE: UTAH

14. DATE SPUDDED: 8/18/2009
15. DATE T.D. REACHED: 11/17/2009
16. DATE COMPLETED: 8/6/2010 ABANDONED ☐ READY TO PRODUCE ☑
17. ELEVATIONS (DF, RKB, RT, GL): 5234 GL

18. TOTAL DEPTH: MD 8,655 TVD 8,532
19. PLUG BACK T.D.: MD 8,582 TVD 8,459
20. IF MULTIPLE COMPLETIONS, HOW MANY? *
21. DEPTH BRIDGE PLUG SET: MD TVD

22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each)
GR/CBL-BHV-SD/DSN/ACTR

23.
WAS WELL CORED? NO ☑ YES ☐ (Submit analysis)
WAS DST RUN? NO ☑ YES ☐ (Submit report)
DIRECTIONAL SURVEY? NO ☐ YES ☑ (Submit copy)

24. CASING AND LINER RECORD (Report all strings set in well)

HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
20"	14" STL	36.7#		40		28			
12 1/4	9 5/8 J-55	36#		1,948		700			
7 7/8"	4 1/2 I-80	11.6#		8,626		1,800			

25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
2 3/8"	6,345							

26. PRODUCING INTERVALS

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)
(A) MESAVERDE	6,569	8,178	6,569	8,178
(B)				
(C)				
(D)				

27. PERFORATION RECORD

INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS
6,569 8,178	0.36	140	Open ☑ Squeezed ☐
			Open ☐ Squeezed ☐
			Open ☐ Squeezed ☐
			Open ☐ Squeezed ☐

28. ACID, FRACTURE, TREATMENT, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
6,569 - 8,178	PUMP 9,068 BBLS SLICK H2O & 320,623 LBS 30/50 SAND

29. ENCLOSED ATTACHMENTS:

☐ ELECTRICAL/MECHANICAL LOGS ☐ GEOLOGIC REPORT ☐ DST REPORT ☑ DIRECTIONAL SURVEY
☐ SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION ☐ CORE ANALYSIS ☐ OTHER:

30. WELL STATUS: PROD

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(5/2000) (CONTINUED ON BACK)

31. INITIAL PRODUCTION — **INTERVAL A (As shown in item #26)**

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
8/6/2010	8/15/2010	24		0	1,232	200	FLOWING

CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:
25/64	425	882					0	1,232	200	PROD

INTERVAL B (As shown in item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:

CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

INTERVAL C (As shown in item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:

CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

INTERVAL D (As shown in item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:

CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

32. DISPOSITION OF GAS (Sold, Used for Fuel, Vented, Etc.)

33. SUMMARY OF POROUS ZONES (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

34. FORMATION (Log) MARKERS:

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
GREEN RIVER	968				
BIRD'S NEST	1,178				
MAHOGANY	1,793				
WASATCH	4,270				
MESAVERDE	6,484	8,655	TD		

35. ADDITIONAL REMARKS (Include plugging procedure)

ATTACHED IS THE CHRONOLOGICAL WELL HISTORY AND FINAL SURVEY.

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records.

NAME (PLEASE PRINT) ANDREW LYTLE TITLE REGULATORY ANALYST

SIGNATURE DATE 9/8/2010

This report must be submitted within 30 days of

- completing or plugging a new well
- drilling horizontal laterals from an existing well bore
- recompleting to a different producing formation
- reentering a previously plugged and abandoned well
- significantly deepening an existing well bore below the previous bottom-hole depth
- drilling hydrocarbon exploratory holes, such as core samples and stratigraphic tests

* ITEM 20: Show the number of completions if production is measured separately from two or more formations.

** ITEM 24: Cement Top – Show how reported top(s) of cement were determined (circulated (CIR), calculated (CAL), cement bond log (CBL), temperature survey (TS)).

Send to: Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

Phone: 801-538-5340

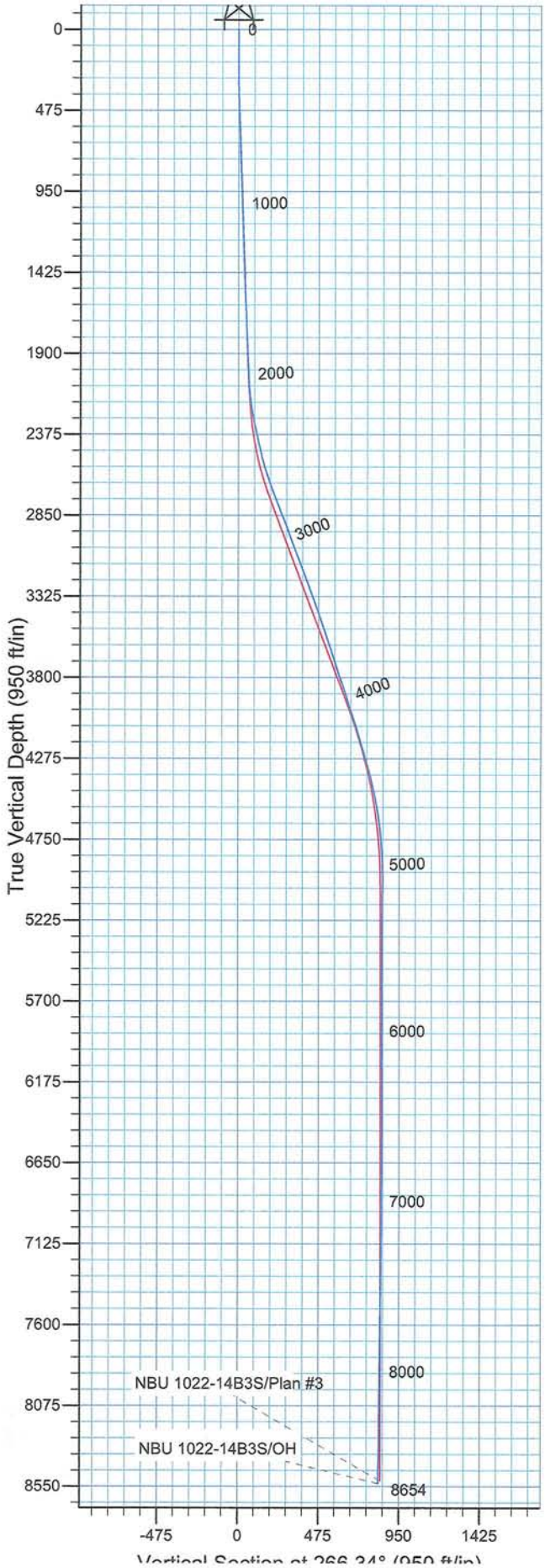
Fax: 801-359-3940

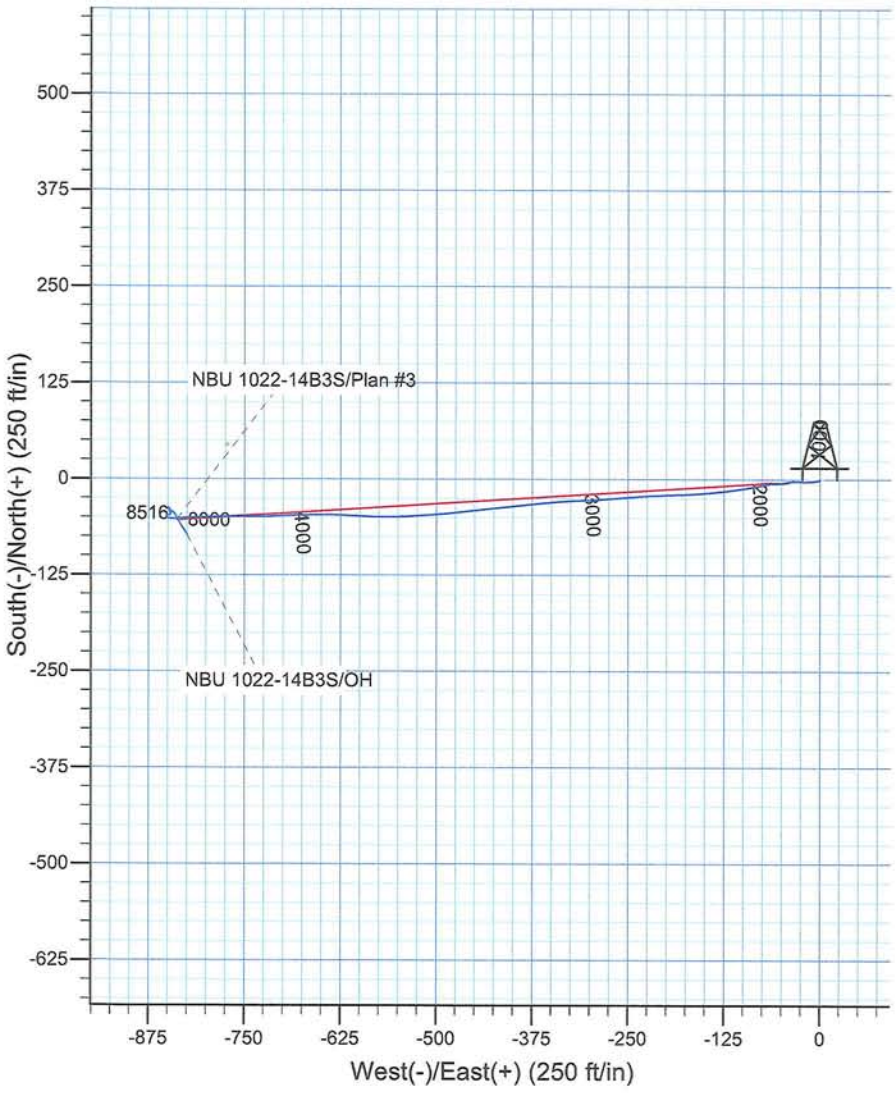
(5/2000)

Scientific Drilling
Rocky Mountain Operations

Project: Uintah County, UT NAD27
Site: NBU 1022-14B Pad
Well: NBU 1022-14B3S
Wellbore: OH
Design: OH

Kerr McGee Oil and Gas Onshore LP





WELL DETAILS: NBU 1022-14B3S

Ground Level: GL 5234' & RKB 14' @ 5248.00ft (Ensign 139)

+N/-S	+E/-W	Northing	Easting	Latitude	Longitude
0.00	0.00	596780.00	2588054.92	39° 57' 10.380 N	109° 24' 7.638 W

REFERENCE INFORMATION

Co-ordinate (N/E) Reference: Well NBU 1022-14B3S, True North
Vertical (TVD) Reference: GL 5234' & RKB 14' @ 5248.00ft (Ensign 139
Section (VS) Reference: Slot - (0.00N, 0.00E)
Measured Depth Reference: GL 5234' & RKB 14' @ 5248.00ft (Ensign 139
Calculation Method: Minimum Curvature
Local North: True
Location: Sec 14 T10S R22E

PROJECT DETAILS: Uintah County, UT NAD27

Geodetic System: US State Plane 1927 (Exact solution)
Datum: NAD 1927 (NADCON CONUS)
Ellipsoid: Clarke 1866
Zone: Utah Central 4302

Design: OH (NBU 1022-14B3S/OH)

Created By: Rex Hall Date: 2009-12-10

Kerr McGee Oil and Gas Onshore LP

Uintah County, UT NAD27
NBU 1022-14B Pad
NBU 1022-14B3S
OH

Design: OH

Standard Survey Report

10 December, 2009

Scientific Drilling International

Survey Report

Company:	Kerr McGee Oil and Gas Onshore LP	**Local Co-ordinate Reference:**	Well NBU 1022-14B3S
Project:	Uintah County, UT NAD27	**TVD Reference:**	GL 5234' & RKB 14' @ 5248.00ft (Ensign 139)
Site:	NBU 1022-14B Pad	**MD Reference:**	GL 5234' & RKB 14' @ 5248.00ft (Ensign 139)
Well:	NBU 1022-14B3S	**North Reference:**	True
Wellbore:	OH	**Survey Calculation Method:**	Minimum Curvature
Design:	OH	**Database:**	EDM 2003.16 Multi-User Db

Project	Uintah County, UT NAD27		
Map System:	US State Plane 1927 (Exact solution)	**System Datum:**	Mean Sea Level
Geo Datum:	NAD 1927 (NADCON CONUS)		
Map Zone:	Utah Central 4302		

Site	NBU 1022-14B Pad, Sec 14 T10S R22E				
Site Position:		**Northing:**	596,779.27 ft	**Latitude:**	39° 57' 10.368 N
From:	Lat/Long	**Easting:**	2,588,074.96 ft	**Longitude:**	109° 24' 7.381 W
Position Uncertainty:	0.00 ft	**Slot Radius:**	in	**Grid Convergence:**	1.34 °

Well	NBU 1022-14B3S, 1227' FNL 1437' FEL					
Well Position	**+N/-S**	0.00 ft	**Northing:**	596,780.00 ft	**Latitude:**	39° 57' 10.380 N
	+E/-W	0.00 ft	**Easting:**	2,588,054.92 ft	**Longitude:**	109° 24' 7.638 W
Position Uncertainty		0.00 ft	**Wellhead Elevation:**	ft	**Ground Level:**	5,234.00 ft

Wellbore	OH				
Magnetics	**Model Name**	**Sample Date**	**Declination (°)**	**Dip Angle (°)**	**Field Strength (nT)**
	IGRF200510	7/29/2009	11.25	65.90	52,530

Design	OH				
Audit Notes:					
Version:	1.0	**Phase:**	ACTUAL	**Tie On Depth:**	1.00
Vertical Section:	**Depth From (TVD) (ft)**	**+N/-S (ft)**	**+E/-W (ft)**	**Direction (°)**	
	1.00	0.00	0.00	266.34	

Survey Program **Date** 12/10/2009

From (ft)	To (ft)	Survey (Wellbore)	Tool Name	Description
10.00	1,929.00	Survey #1 - Surface (OH)	MWD SDI	MWD - Standard ver 1.0.1
1,982.00	8,655.00	Survey #2 - Production (OH)	MWD SDI	MWD - Standard ver 1.0.1

Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
1.00	0.00	0.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00
10.00	0.00	0.00	10.00	0.00	0.00	0.00	0.00	0.00	0.00
169.00	0.26	106.03	169.00	-0.10	0.35	-0.34	0.16	0.16	0.00
First SDI Surface MWD Survey									
289.00	0.63	234.75	289.00	-0.56	0.07	-0.03	0.68	0.31	107.27
379.00	1.62	251.50	378.98	-1.25	-1.54	1.62	1.15	1.10	18.61
459.00	2.44	262.02	458.93	-1.84	-4.30	4.41	1.12	1.02	13.15
549.00	2.49	256.92	548.85	-2.55	-8.10	8.25	0.25	0.06	-5.67
639.00	2.10	265.79	638.77	-3.12	-11.65	11.83	0.58	-0.43	9.86
729.00	2.03	266.00	728.71	-3.35	-14.88	15.07	0.08	-0.08	0.23
819.00	1.75	268.98	818.67	-3.48	-17.85	18.03	0.33	-0.31	3.31
909.00	1.74	274.13	908.62	-3.41	-20.59	20.76	0.17	-0.01	5.72

Scientific Drilling International

Survey Report

Company:	Kerr McGee Oil and Gas Onshore LP	**Local Co-ordinate Reference:**	Well NBU 1022-14B3S
Project:	Uintah County, UT NAD27	**TVD Reference:**	GL 5234' & RKB 14' @ 5248.00ft (Ensign 139)
Site:	NBU 1022-14B Pad	**MD Reference:**	GL 5234' & RKB 14' @ 5248.00ft (Ensign 139)
Well:	NBU 1022-14B3S	**North Reference:**	True
Wellbore:	OH	**Survey Calculation Method:**	Minimum Curvature
Design:	OH	**Database:**	EDM 2003.16 Multi-User Db

Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
999.00	1.49	275.28	998.59	-3.20	-23.11	23.27	0.28	-0.28	1.28
1,089.00	2.07	275.84	1,088.54	-2.93	-25.90	26.03	0.64	0.64	0.62
1,179.00	1.94	274.88	1,178.49	-2.64	-29.03	29.14	0.15	-0.14	-1.07
1,269.00	1.96	269.86	1,268.44	-2.51	-32.09	32.18	0.19	0.02	-5.58
1,359.00	1.59	273.85	1,358.39	-2.43	-34.87	34.96	0.43	-0.41	4.43
1,449.00	1.65	259.21	1,448.36	-2.59	-37.39	37.48	0.46	0.07	-16.27
1,539.00	2.39	256.28	1,538.30	-3.28	-40.49	40.61	0.83	0.82	-3.26
1,629.00	1.67	254.45	1,628.24	-4.07	-43.57	43.74	0.80	-0.80	-2.03
1,719.00	2.15	256.40	1,718.19	-4.82	-46.48	46.69	0.54	0.53	2.17
1,809.00	2.79	267.92	1,808.11	-5.30	-50.31	50.54	0.90	0.71	12.80
1,929.00	2.84	272.68	1,927.97	-5.27	-56.20	56.42	0.20	0.04	3.97
Last SDI Surface MWD Survey									
1,982.00	2.55	271.43	1,980.91	-5.17	-58.69	58.90	0.56	-0.55	-2.36
First SDI Production MWD Survey									
2,072.00	3.85	261.07	2,070.77	-5.59	-63.67	63.90	1.58	1.44	-11.51
2,163.00	6.77	257.87	2,161.37	-7.20	-71.94	72.25	3.22	3.21	-3.52
2,253.00	9.14	259.01	2,250.49	-9.67	-84.14	84.59	2.64	2.63	1.27
2,344.00	12.36	261.09	2,339.89	-12.56	-100.86	101.46	3.56	3.54	2.29
2,434.00	12.88	261.38	2,427.71	-15.56	-120.30	121.04	0.58	0.58	0.32
2,524.00	14.69	266.23	2,515.12	-17.81	-141.60	142.45	2.38	2.01	5.39
2,615.00	17.92	266.87	2,602.45	-19.33	-167.10	168.00	3.55	3.55	0.70
2,706.00	19.90	268.23	2,688.53	-20.58	-196.57	197.48	2.23	2.18	1.49
2,796.00	21.51	266.54	2,772.72	-22.04	-228.35	229.29	1.91	1.79	-1.88
2,887.00	21.36	264.62	2,857.42	-24.61	-261.50	262.54	0.79	-0.16	-2.11
2,977.00	20.24	265.88	2,941.56	-27.26	-293.35	294.49	1.34	-1.24	1.40
3,068.00	20.45	267.50	3,026.88	-29.09	-324.93	326.12	0.66	0.23	1.78
3,158.00	20.51	264.78	3,111.19	-31.21	-356.34	357.60	1.06	0.07	-3.02
3,249.00	21.44	264.24	3,196.16	-34.33	-388.76	390.16	1.04	1.02	-0.59
3,340.00	20.94	262.86	3,281.01	-38.02	-421.45	423.01	0.78	-0.55	-1.52
3,427.00	19.51	264.06	3,362.64	-41.45	-451.32	453.05	1.71	-1.64	1.38
3,521.00	19.09	264.52	3,451.36	-44.54	-482.24	484.10	0.48	-0.45	0.49
3,611.00	18.91	265.78	3,536.46	-47.02	-511.43	513.39	0.50	-0.20	1.40
3,702.00	17.71	267.68	3,622.85	-48.67	-539.97	541.97	1.47	-1.32	2.09
3,792.00	17.37	268.76	3,708.67	-49.51	-567.08	569.08	0.52	-0.38	1.20
3,883.00	18.52	274.21	3,795.24	-48.75	-595.07	596.97	2.24	1.26	5.99
3,974.00	19.01	272.41	3,881.41	-47.06	-624.30	626.03	0.83	0.54	-1.98
4,064.00	17.86	269.66	3,966.79	-46.53	-652.74	654.38	1.60	-1.28	-3.06
4,155.00	18.21	267.53	4,053.32	-47.22	-680.90	682.53	0.82	0.38	-2.34
4,245.00	16.86	267.00	4,139.13	-48.51	-707.99	709.64	1.51	-1.50	-0.59
4,336.00	17.59	269.88	4,226.05	-49.23	-734.92	736.56	1.23	0.80	3.16
4,426.00	15.79	269.51	4,312.26	-49.36	-760.76	762.36	2.00	-2.00	-0.41
4,517.00	13.58	268.91	4,400.28	-49.67	-783.83	785.40	2.43	-2.43	-0.66
4,607.00	11.55	269.34	4,488.12	-49.98	-803.40	804.96	2.26	-2.26	0.48
4,698.00	9.13	267.82	4,577.64	-50.36	-819.73	821.27	2.68	-2.66	-1.67
4,788.00	7.36	259.23	4,666.71	-51.71	-832.53	834.13	2.39	-1.97	-9.54
4,879.00	5.42	274.55	4,757.14	-52.46	-842.54	844.17	2.82	-2.13	16.84
4,969.00	3.00	281.56	4,846.89	-51.65	-849.09	850.65	2.74	-2.69	7.79
5,060.00	2.19	348.30	4,937.82	-49.47	-851.77	853.19	3.22	-0.89	73.34
5,150.00	0.49	80.87	5,027.80	-47.72	-851.74	853.05	2.52	-1.89	102.86
5,241.00	0.54	80.43	5,118.79	-47.59	-850.94	852.24	0.06	0.05	-0.48
5,331.00	0.45	100.98	5,208.79	-47.58	-850.17	851.47	0.22	-0.10	22.83
5,422.00	0.47	82.26	5,299.79	-47.60	-849.45	850.76	0.17	0.02	-20.57
5,512.00	0.51	104.50	5,389.78	-47.65	-848.70	850.01	0.21	0.04	24.71
5,603.00	0.34	33.75	5,480.78	-47.53	-848.15	849.46	0.56	-0.19	-77.75

Scientific Drilling International

Survey Report

Company:	Kerr McGee Oil and Gas Onshore LP	**Local Co-ordinate Reference:**	Well NBU 1022-14B3S
Project:	Uintah County, UT NAD27	**TVD Reference:**	GL 5234' & RKB 14' @ 5248.00ft (Ensign 139)
Site:	NBU 1022-14B Pad	**MD Reference:**	GL 5234' & RKB 14' @ 5248.00ft (Ensign 139)
Well:	NBU 1022-14B3S	**North Reference:**	True
Wellbore:	OH	**Survey Calculation Method:**	Minimum Curvature
Design:	OH	**Database:**	EDM 2003.16 Multi-User Db

Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
5,693.00	0.36	68.64	5,570.78	-47.20	-847.74	849.03	0.23	0.02	38.77
5,784.00	0.50	108.05	5,661.78	-47.22	-847.10	848.39	0.35	0.15	43.31
5,875.00	0.73	44.81	5,752.77	-46.94	-846.31	847.58	0.74	0.25	-69.49
5,965.00	1.49	332.97	5,842.76	-45.49	-846.44	847.62	1.60	0.84	-79.82
6,056.00	1.51	338.64	5,933.73	-43.32	-847.41	848.45	0.16	0.02	6.23
6,146.00	1.27	332.85	6,023.70	-41.32	-848.30	849.21	0.31	-0.27	-6.43
6,237.00	1.24	338.29	6,114.68	-39.51	-849.13	849.92	0.13	-0.03	5.98
6,327.00	0.40	344.63	6,204.67	-38.30	-849.57	850.28	0.94	-0.93	7.04
6,418.00	0.24	13.09	6,295.67	-37.81	-849.61	850.29	0.24	-0.18	31.27
6,509.00	0.15	21.09	6,386.67	-37.52	-849.52	850.19	0.10	-0.10	8.79
6,599.00	0.34	110.63	6,476.67	-37.50	-849.23	849.89	0.41	0.21	99.49
6,690.00	0.45	141.24	6,567.66	-37.87	-848.76	849.44	0.26	0.12	33.64
6,780.00	0.46	144.37	6,657.66	-38.44	-848.32	849.05	0.03	0.01	3.48
6,871.00	0.56	154.57	6,748.66	-39.14	-847.92	848.69	0.15	0.11	11.21
6,961.00	0.76	150.87	6,838.65	-40.06	-847.44	848.27	0.23	0.22	-4.11
7,052.00	0.80	155.45	6,929.64	-41.16	-846.88	847.78	0.08	0.04	5.03
7,142.00	0.93	136.31	7,019.63	-42.26	-846.12	847.09	0.35	0.14	-21.27
7,233.00	0.70	108.52	7,110.62	-42.98	-845.08	846.10	0.50	-0.25	-30.54
7,324.00	1.02	110.22	7,201.61	-43.43	-843.79	844.84	0.35	0.35	1.87
7,414.00	0.97	134.81	7,291.60	-44.25	-842.50	843.61	0.47	-0.06	27.32
7,505.00	1.02	143.36	7,382.59	-45.44	-841.47	842.66	0.17	0.05	9.40
7,595.00	0.87	130.17	7,472.57	-46.52	-840.47	841.73	0.29	-0.17	-14.66
7,686.00	1.13	149.22	7,563.56	-47.74	-839.48	840.82	0.46	0.29	20.93
7,776.00	1.55	146.28	7,653.54	-49.51	-838.35	839.80	0.47	0.47	-3.27
7,867.00	1.67	156.19	7,744.50	-51.75	-837.14	838.73	0.33	0.13	10.89
7,957.00	1.57	150.68	7,834.46	-54.02	-836.00	837.75	0.21	-0.11	-6.12
8,048.00	1.83	157.19	7,925.42	-56.45	-834.83	836.73	0.36	0.29	7.15
8,138.00	1.44	155.66	8,015.39	-58.81	-833.81	835.86	0.44	-0.43	-1.70
8,229.00	2.02	152.79	8,106.35	-61.27	-832.60	834.81	0.64	0.64	-3.15
8,319.00	1.75	148.54	8,196.30	-63.86	-831.16	833.54	0.34	-0.30	-4.72
8,410.00	1.63	140.82	8,287.26	-66.05	-829.62	832.14	0.28	-0.13	-8.48
8,501.00	2.07	142.26	8,378.21	-68.35	-827.79	830.47	0.49	0.48	1.58
8,591.00	2.17	146.46	8,468.15	-71.05	-825.86	828.71	0.21	0.11	4.67
Last SDI Production MWD Survey									
8,655.00	2.17	146.46	8,532.10	-73.07	-824.52	827.50	0.00	0.00	0.00
Projection To TD									

Targets

Target Name - hit/miss target - Shape	Dip Angle (°)	Dip Dir. (°)	TVD (ft)	+N/-S (ft)	+E/-W (ft)	Northing (ft)	Easting (ft)	Latitude	Longitude
NBU 1022-14B3S PBHL	0.00	0.00	8,516.00	-53.60	-838.13	596,706.76	2,587,218.28	39° 57' 9.850 N	109° 24' 18.401 W
- actual wellpath misses target center by 23.13ft at 8638.01ft MD (8515.12 TVD, -72.54 N, -824.87 E)									
- Circle (radius 25.00)									

Checked By: _____ Approved By: _____ Date: _____

Kerr McGee Oil and Gas Onshore LP

Uintah County, UT NAD27
NBU 1022-14B Pad
NBU 1022-14B3S
OH

Design: OH

Survey Report - Geographic

10 December, 2009

Scientific Drilling International

Survey Report - Geographic

Company:	Kerr McGee Oil and Gas Onshore LP	**Local Co-ordinate Reference:**	Well NBU 1022-14B3S
Project:	Uintah County, UT NAD27	**TVD Reference:**	GL 5234' & RKB 14' @ 5248.00ft (Ensign 139)
Site:	NBU 1022-14B Pad	**MD Reference:**	GL 5234' & RKB 14' @ 5248.00ft (Ensign 139)
Well:	NBU 1022-14B3S	**North Reference:**	True
Wellbore:	OH	**Survey Calculation Method:**	Minimum Curvature
Design:	OH	**Database:**	EDM 2003.16 Multi-User Db

Project	Uintah County, UT NAD27		
Map System:	US State Plane 1927 (Exact solution)	**System Datum:**	Mean Sea Level
Geo Datum:	NAD 1927 (NADCON CONUS)		
Map Zone:	Utah Central 4302		

Site	NBU 1022-14B Pad, Sec 14 T10S R22E				
Site Position:		**Northing:**	596,779.27 ft	**Latitude:**	39° 57' 10.368 N
From:	Lat/Long	**Easting:**	2,588,074.96 ft	**Longitude:**	109° 24' 7.381 W
Position Uncertainty:	0.00 ft	**Slot Radius:**	in	**Grid Convergence:**	1.34 °

Well	NBU 1022-14B3S, 1227' FNL 1437' FEL					
Well Position	**+N/-S**	0.00 ft	**Northing:**	596,780.00 ft	**Latitude:**	39° 57' 10.380 N
	+E/-W	0.00 ft	**Easting:**	2,588,054.92 ft	**Longitude:**	109° 24' 7.638 W
Position Uncertainty		0.00 ft	**Wellhead Elevation:**	ft	**Ground Level:**	5,234.00 ft

Wellbore	OH				
Magnetics	**Model Name**	**Sample Date**	**Declination (°)**	**Dip Angle (°)**	**Field Strength (nT)**
	IGRF200510	7/29/2009	11.25	65.90	52,530

Design	OH				
Audit Notes:					
Version:	1.0	**Phase:**	ACTUAL	**Tie On Depth:**	1.00
Vertical Section:	**Depth From (TVD) (ft)**	**+N/-S (ft)**	**+E/-W (ft)**	**Direction (°)**	
	1.00	0.00	0.00	266.34	

Survey Program **Date** 12/10/2009

From (ft)	To (ft)	Survey (Wellbore)	Tool Name	Description
10.00	1,929.00	Survey #1 - Surface (OH)	MWD SDI	MWD - Standard ver 1.0.1
1,982.00	8,655.00	Survey #2 - Production (OH)	MWD SDI	MWD - Standard ver 1.0.1

Scientific Drilling International

Survey Report - Geographic

Company:	Kerr McGee Oil and Gas Onshore LP	**Local Co-ordinate Reference:**	Well NBU 1022-14B3S
Project:	Uintah County, UT NAD27	**TVD Reference:**	GL 5234' & RKB 14' @ 5248.00ft (Ensign 139)
Site:	NBU 1022-14B Pad	**MD Reference:**	GL 5234' & RKB 14' @ 5248.00ft (Ensign 139)
Well:	NBU 1022-14B3S	**North Reference:**	True
Wellbore:	OH	**Survey Calculation Method:**	Minimum Curvature
Design:	OH	**Database:**	EDM 2003.16 Multi-User Db

Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Map Northing (ft)	Map Easting (ft)	Latitude	Longitude
1.00	0.00	0.00	1.00	0.00	0.00	596,780.00	2,588,054.92	39° 57' 10.380 N	109° 24' 7.638 W
10.00	0.00	0.00	10.00	0.00	0.00	596,780.00	2,588,054.92	39° 57' 10.380 N	109° 24' 7.638 W
169.00	0.26	106.03	169.00	-0.10	0.35	596,779.91	2,588,055.27	39° 57' 10.379 N	109° 24' 7.634 W
First SDI Surface MWD Survey									
289.00	0.63	234.75	289.00	-0.56	0.07	596,779.45	2,588,055.01	39° 57' 10.374 N	109° 24' 7.637 W
379.00	1.62	251.50	378.98	-1.25	-1.54	596,778.72	2,588,053.41	39° 57' 10.368 N	109° 24' 7.658 W
459.00	2.44	262.02	458.93	-1.84	-4.30	596,778.06	2,588,050.67	39° 57' 10.362 N	109° 24' 7.693 W
549.00	2.49	256.92	548.85	-2.55	-8.10	596,777.26	2,588,046.88	39° 57' 10.355 N	109° 24' 7.742 W
639.00	2.10	265.79	638.77	-3.12	-11.65	596,776.62	2,588,043.35	39° 57' 10.349 N	109° 24' 7.788 W
729.00	2.03	266.00	728.71	-3.35	-14.88	596,776.31	2,588,040.12	39° 57' 10.347 N	109° 24' 7.829 W
819.00	1.75	268.98	818.67	-3.48	-17.85	596,776.10	2,588,037.16	39° 57' 10.345 N	109° 24' 7.867 W
909.00	1.74	274.13	908.62	-3.41	-20.59	596,776.11	2,588,034.42	39° 57' 10.346 N	109° 24' 7.902 W
999.00	1.49	275.28	998.59	-3.20	-23.11	596,776.26	2,588,031.89	39° 57' 10.348 N	109° 24' 7.935 W
1,089.00	2.07	275.84	1,088.54	-2.93	-25.90	596,776.47	2,588,029.10	39° 57' 10.351 N	109° 24' 7.971 W
1,179.00	1.94	274.88	1,178.49	-2.64	-29.03	596,776.69	2,588,025.96	39° 57' 10.354 N	109° 24' 8.011 W
1,269.00	1.96	269.86	1,268.44	-2.51	-32.09	596,776.74	2,588,022.90	39° 57' 10.355 N	109° 24' 8.050 W
1,359.00	1.59	273.85	1,358.39	-2.43	-34.87	596,776.76	2,588,020.12	39° 57' 10.356 N	109° 24' 8.086 W
1,449.00	1.65	259.21	1,448.36	-2.59	-37.39	596,776.54	2,588,017.60	39° 57' 10.354 N	109° 24' 8.118 W
1,539.00	2.39	256.28	1,538.30	-3.28	-40.49	596,775.78	2,588,014.52	39° 57' 10.347 N	109° 24' 8.158 W
1,629.00	1.67	254.45	1,628.24	-4.07	-43.57	596,774.91	2,588,011.46	39° 57' 10.340 N	109° 24' 8.198 W
1,719.00	2.15	256.40	1,718.19	-4.82	-46.48	596,774.10	2,588,008.57	39° 57' 10.332 N	109° 24' 8.235 W
1,809.00	2.79	267.92	1,808.11	-5.30	-50.31	596,773.53	2,588,004.75	39° 57' 10.328 N	109° 24' 8.284 W
1,929.00	2.84	272.68	1,927.97	-5.27	-56.20	596,773.42	2,587,998.87	39° 57' 10.328 N	109° 24' 8.360 W
Last SDI Surface MWD Survey									
1,982.00	2.55	271.43	1,980.91	-5.17	-58.69	596,773.46	2,587,996.37	39° 57' 10.329 N	109° 24' 8.392 W
First SDI Production MWD Survey									
2,072.00	3.85	261.07	2,070.77	-5.59	-63.67	596,772.92	2,587,991.40	39° 57' 10.325 N	109° 24' 8.456 W
2,163.00	6.77	257.87	2,161.37	-7.20	-71.94	596,771.13	2,587,983.17	39° 57' 10.309 N	109° 24' 8.562 W
2,253.00	9.14	259.01	2,250.49	-9.67	-84.14	596,768.36	2,587,971.03	39° 57' 10.284 N	109° 24' 8.719 W
2,344.00	12.36	261.09	2,339.89	-12.56	-100.86	596,765.08	2,587,954.38	39° 57' 10.256 N	109° 24' 8.933 W
2,434.00	12.88	261.38	2,427.71	-15.56	-120.30	596,761.63	2,587,935.02	39° 57' 10.226 N	109° 24' 9.183 W
2,524.00	14.69	266.23	2,515.12	-17.81	-141.60	596,758.88	2,587,913.78	39° 57' 10.204 N	109° 24' 9.456 W
2,615.00	17.92	266.87	2,602.45	-19.33	-167.10	596,756.76	2,587,888.32	39° 57' 10.189 N	109° 24' 9.784 W
2,706.00	19.90	268.23	2,688.53	-20.58	-196.57	596,754.83	2,587,858.89	39° 57' 10.176 N	109° 24' 10.162 W
2,796.00	21.51	266.54	2,772.72	-22.04	-228.35	596,752.61	2,587,827.16	39° 57' 10.162 N	109° 24' 10.570 W
2,887.00	21.36	264.62	2,857.42	-24.61	-261.50	596,749.27	2,587,794.07	39° 57' 10.137 N	109° 24' 10.996 W
2,977.00	20.24	265.88	2,941.56	-27.26	-293.35	596,745.87	2,587,762.30	39° 57' 10.110 N	109° 24' 11.405 W
3,068.00	20.45	267.50	3,026.88	-29.09	-324.93	596,743.31	2,587,730.77	39° 57' 10.092 N	109° 24' 11.811 W
3,158.00	20.51	264.78	3,111.19	-31.21	-356.34	596,740.45	2,587,699.41	39° 57' 10.071 N	109° 24' 12.214 W
3,249.00	21.44	264.24	3,196.16	-34.33	-388.76	596,736.57	2,587,667.07	39° 57' 10.041 N	109° 24' 12.630 W
3,340.00	20.94	262.86	3,281.01	-38.02	-421.45	596,732.12	2,587,634.49	39° 57' 10.004 N	109° 24' 13.050 W
3,427.00	19.51	264.06	3,362.64	-41.45	-451.32	596,727.98	2,587,604.70	39° 57' 9.970 N	109° 24' 13.434 W
3,521.00	19.09	264.52	3,451.36	-44.54	-482.24	596,724.17	2,587,573.86	39° 57' 9.940 N	109° 24' 13.831 W
3,611.00	18.91	265.78	3,536.46	-47.02	-511.43	596,721.00	2,587,544.74	39° 57' 9.915 N	109° 24' 14.206 W
3,702.00	17.71	267.68	3,622.85	-48.67	-539.97	596,718.69	2,587,516.25	39° 57' 9.899 N	109° 24' 14.572 W
3,792.00	17.37	268.76	3,708.67	-49.51	-567.08	596,717.21	2,587,489.16	39° 57' 9.890 N	109° 24' 14.920 W
3,883.00	18.52	274.21	3,795.24	-48.75	-595.07	596,717.32	2,587,461.16	39° 57' 9.898 N	109° 24' 15.280 W
3,974.00	19.01	272.41	3,881.41	-47.06	-624.30	596,718.32	2,587,431.90	39° 57' 9.915 N	109° 24' 15.655 W
4,064.00	17.86	269.66	3,966.79	-46.53	-652.74	596,718.18	2,587,403.45	39° 57' 9.920 N	109° 24' 16.020 W
4,155.00	18.21	267.53	4,053.32	-47.22	-680.90	596,716.83	2,587,375.32	39° 57' 9.913 N	109° 24' 16.382 W
4,245.00	16.86	267.00	4,139.13	-48.51	-707.99	596,714.90	2,587,348.27	39° 57' 9.900 N	109° 24' 16.730 W
4,336.00	17.59	269.88	4,226.05	-49.23	-734.92	596,713.55	2,587,321.36	39° 57' 9.893 N	109° 24' 17.076 W
4,426.00	15.79	269.51	4,312.26	-49.36	-760.76	596,712.81	2,587,295.53	39° 57' 9.892 N	109° 24' 17.408 W
4,517.00	13.58	268.91	4,400.28	-49.67	-783.83	596,711.96	2,587,272.48	39° 57' 9.889 N	109° 24' 17.704 W
4,607.00	11.55	269.34	4,488.12	-49.98	-803.40	596,711.20	2,587,252.91	39° 57' 9.886 N	109° 24' 17.955 W

Scientific Drilling International

Survey Report - Geographic

Company:	Kerr McGee Oil and Gas Onshore LP	**Local Co-ordinate Reference:**	Well NBU 1022-14B3S
Project:	Uintah County, UT NAD27	**TVD Reference:**	GL 5234' & RKB 14' @ 5248.00ft (Ensign 139)
Site:	NBU 1022-14B Pad	**MD Reference:**	GL 5234' & RKB 14' @ 5248.00ft (Ensign 139)
Well:	NBU 1022-14B3S	**North Reference:**	True
Wellbore:	OH	**Survey Calculation Method:**	Minimum Curvature
Design:	OH	**Database:**	EDM 2003.16 Multi-User Db

Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Map Northing (ft)	Map Easting (ft)	Latitude	Longitude
4,698.00	9.13	267.82	4,577.64	-50.36	-819.73	596,710.44	2,587,236.60	39° 57' 9.882 N	109° 24' 18.165 W
4,788.00	7.36	259.23	4,666.71	-51.71	-832.53	596,708.79	2,587,223.84	39° 57' 9.869 N	109° 24' 18.329 W
4,879.00	5.42	274.55	4,757.14	-52.46	-842.54	596,707.81	2,587,213.84	39° 57' 9.861 N	109° 24' 18.458 W
4,969.00	3.00	281.56	4,846.89	-51.65	-849.09	596,708.46	2,587,207.28	39° 57' 9.869 N	109° 24' 18.542 W
5,060.00	2.19	348.30	4,937.82	-49.47	-851.77	596,710.58	2,587,204.55	39° 57' 9.891 N	109° 24' 18.576 W
5,150.00	0.49	80.87	5,027.80	-47.72	-851.74	596,712.32	2,587,204.54	39° 57' 9.908 N	109° 24' 18.576 W
5,241.00	0.54	80.43	5,118.79	-47.59	-850.94	596,712.48	2,587,205.34	39° 57' 9.909 N	109° 24' 18.565 W
5,331.00	0.45	100.98	5,208.79	-47.58	-850.17	596,712.50	2,587,206.10	39° 57' 9.909 N	109° 24' 18.556 W
5,422.00	0.47	82.26	5,299.79	-47.60	-849.45	596,712.50	2,587,206.83	39° 57' 9.909 N	109° 24' 18.546 W
5,512.00	0.51	104.50	5,389.78	-47.65	-848.70	596,712.46	2,587,207.58	39° 57' 9.909 N	109° 24' 18.537 W
5,603.00	0.34	33.75	5,480.78	-47.53	-848.15	596,712.60	2,587,208.12	39° 57' 9.910 N	109° 24' 18.530 W
5,693.00	0.36	68.64	5,570.78	-47.20	-847.74	596,712.93	2,587,208.52	39° 57' 9.913 N	109° 24' 18.524 W
5,784.00	0.50	108.05	5,661.78	-47.22	-847.10	596,712.93	2,587,209.17	39° 57' 9.913 N	109° 24' 18.516 W
5,875.00	0.73	44.81	5,752.77	-46.94	-846.31	596,713.24	2,587,209.95	39° 57' 9.916 N	109° 24' 18.506 W
5,965.00	1.49	332.97	5,842.76	-45.49	-846.44	596,714.68	2,587,209.78	39° 57' 9.930 N	109° 24' 18.508 W
6,056.00	1.51	338.64	5,933.73	-43.32	-847.41	596,716.83	2,587,208.76	39° 57' 9.952 N	109° 24' 18.520 W
6,146.00	1.27	332.85	6,023.70	-41.32	-848.30	596,718.80	2,587,207.83	39° 57' 9.971 N	109° 24' 18.532 W
6,237.00	1.24	338.29	6,114.68	-39.51	-849.13	596,720.59	2,587,206.96	39° 57' 9.989 N	109° 24' 18.542 W
6,327.00	0.40	344.63	6,204.67	-38.30	-849.57	596,721.79	2,587,206.49	39° 57' 10.001 N	109° 24' 18.548 W
6,418.00	0.24	13.09	6,295.67	-37.81	-849.61	596,722.28	2,587,206.43	39° 57' 10.006 N	109° 24' 18.548 W
6,509.00	0.15	21.09	6,386.67	-37.52	-849.52	596,722.58	2,587,206.51	39° 57' 10.009 N	109° 24' 18.547 W
6,599.00	0.34	110.63	6,476.67	-37.50	-849.23	596,722.60	2,587,206.81	39° 57' 10.009 N	109° 24' 18.544 W
6,690.00	0.45	141.24	6,567.66	-37.87	-848.76	596,722.24	2,587,207.29	39° 57' 10.005 N	109° 24' 18.537 W
6,780.00	0.46	144.37	6,657.66	-38.44	-848.32	596,721.68	2,587,207.74	39° 57' 10.000 N	109° 24' 18.532 W
6,871.00	0.56	154.57	6,748.66	-39.14	-847.92	596,720.99	2,587,208.16	39° 57' 9.993 N	109° 24' 18.527 W
6,961.00	0.76	150.87	6,838.65	-40.06	-847.44	596,720.08	2,587,208.66	39° 57' 9.984 N	109° 24' 18.521 W
7,052.00	0.80	155.45	6,929.64	-41.16	-846.88	596,718.99	2,587,209.24	39° 57' 9.973 N	109° 24' 18.513 W
7,142.00	0.93	136.31	7,019.63	-42.26	-846.12	596,717.91	2,587,210.03	39° 57' 9.962 N	109° 24' 18.504 W
7,233.00	0.70	108.52	7,110.62	-42.98	-845.08	596,717.22	2,587,211.08	39° 57' 9.955 N	109° 24' 18.490 W
7,324.00	1.02	110.22	7,201.61	-43.43	-843.79	596,716.80	2,587,212.38	39° 57' 9.950 N	109° 24' 18.474 W
7,414.00	0.97	134.81	7,291.60	-44.25	-842.50	596,716.01	2,587,213.69	39° 57' 9.942 N	109° 24' 18.457 W
7,505.00	1.02	143.36	7,382.59	-45.44	-841.47	596,714.85	2,587,214.75	39° 57' 9.931 N	109° 24' 18.444 W
7,595.00	0.87	130.17	7,472.57	-46.52	-840.47	596,713.79	2,587,215.78	39° 57' 9.920 N	109° 24' 18.431 W
7,686.00	1.13	149.22	7,563.56	-47.74	-839.48	596,712.59	2,587,216.79	39° 57' 9.908 N	109° 24' 18.418 W
7,776.00	1.55	146.28	7,653.54	-49.51	-838.35	596,710.85	2,587,217.96	39° 57' 9.890 N	109° 24' 18.404 W
7,867.00	1.67	156.19	7,744.50	-51.75	-837.14	596,708.64	2,587,219.23	39° 57' 9.868 N	109° 24' 18.388 W
7,957.00	1.57	150.68	7,834.46	-54.02	-836.00	596,706.39	2,587,220.42	39° 57' 9.846 N	109° 24' 18.374 W
8,048.00	1.83	157.19	7,925.42	-56.45	-834.83	596,703.99	2,587,221.65	39° 57' 9.822 N	109° 24' 18.359 W
8,138.00	1.44	155.66	8,015.39	-58.81	-833.81	596,701.66	2,587,222.73	39° 57' 9.799 N	109° 24' 18.345 W
8,229.00	2.02	152.79	8,106.35	-61.27	-832.60	596,699.22	2,587,223.99	39° 57' 9.774 N	109° 24' 18.330 W
8,319.00	1.75	148.54	8,196.30	-63.86	-831.16	596,696.67	2,587,225.49	39° 57' 9.749 N	109° 24' 18.311 W
8,410.00	1.63	140.82	8,287.26	-66.05	-829.62	596,694.52	2,587,227.09	39° 57' 9.727 N	109° 24' 18.292 W
8,501.00	2.07	142.26	8,378.21	-68.35	-827.79	596,692.26	2,587,228.96	39° 57' 9.704 N	109° 24' 18.268 W
8,591.00	2.17	146.46	8,468.15	-71.05	-825.86	596,689.60	2,587,230.96	39° 57' 9.677 N	109° 24' 18.243 W
Last SDI Production MWD Survey									
8,655.00	2.17	146.46	8,532.10	-73.07	-824.52	596,687.62	2,587,232.35	39° 57' 9.658 N	109° 24' 18.226 W
Projection To TD									

Scientific Drilling International

Survey Report - Geographic

Company:	Kerr McGee Oil and Gas Onshore LP	**Local Co-ordinate Reference:**	Well NBU 1022-14B3S
Project:	Uintah County, UT NAD27	**TVD Reference:**	GL 5234' & RKB 14' @ 5248.00ft (Ensign 139)
Site:	NBU 1022-14B Pad	**MD Reference:**	GL 5234' & RKB 14' @ 5248.00ft (Ensign 139)
Well:	NBU 1022-14B3S	**North Reference:**	True
Wellbore:	OH	**Survey Calculation Method:**	Minimum Curvature
Design:	OH	**Database:**	EDM 2003.16 Multi-User Db

Targets

Target Name - hit/miss target - Shape	Dip Angle (°)	Dip Dir. (°)	TVD (ft)	+N/-S (ft)	+E/-W (ft)	Northing (ft)	Easting (ft)	Latitude	Longitude
NBU 1022-14B3S PBHL	0.00	0.00	8,516.00	-53.60	-838.13	596,706.76	2,587,218.28	39° 57' 9.850 N	109° 24' 18.401 W
- actual wellpath misses target center by 23.13ft at 8638.01ft MD (8515.12 TVD, -72.54 N, -824.87 E)									
- Circle (radius 25.00)									

Design Annotations

Measured Depth (ft)	Vertical Depth (ft)	Local Coordinates +N/-S (ft)	Local Coordinates +E/-W (ft)	Comment
169.00	169.00	-0.10	0.35	First SDI Surface MWD Survey
1,929.00	1,927.97	-5.27	-56.20	Last SDI Surface MWD Survey
1,982.00	1,980.91	-5.17	-58.69	First SDI Production MWD Survey
8,591.00	8,468.15	-71.05	-825.86	Last SDI Production MWD Survey
8,655.00	8,532.10	-73.07	-824.52	Projection To TD

Checked By: _____ Approved By: _____ Date: _____

US ROCKIES REGION

Operation Summary Report

Well: NBU 1022-14B3S RED	Spud Conductor: 8/18/2009	Spud Date: 9/1/2009
Project: UTAH-UINTAH	Site: NBU 1022-14B PAD	Rig Name No: ENSIGN 139/139, PROPETRO/
Event: DRILLING	Start Date: 8/27/2009	End Date: 11/19/2009
Active Datum: RKB @5,251.01ft (above Mean Sea Level)	UWI: NW/NE/0/10/S/22/E/14/0/0/26/PM/N/1,227.00/E/0/1,437.00/0/0	

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
9/1/2009	0:00 - 1:00	1.00	DRLSUR	01	B	P		R/U PROPETRO 12 AIR BOWL,BLOOY LINE,AIR COMPRESSOR,BOOSTER
	1:00 - 1:30	0.50	DRLSUR	06	A	P		P/U HAMMER
	1:30 - 2:30	1.00	DRLSUR	02	A	P		SPUD AIR HAMMER @01:30,9-1-09 DRL F/ 44' TO 180'
	2:30 - 3:30	1.00	DRLSUR	06	A	P		L/D HAMMER
	3:30 - 5:30	2.00	DRLSUR	06	A	P		P/U BIT & TOOLS ORIENT DIR TOOLS
	5:30 - 0:00	18.50	DRLSUR	02	D	P		SPUD BIT 05:30 09-01-09 -DRL F/ 180' TO 1790' ROTATE SLIDE
9/2/2009	0:00 - 2:30	2.50	DRLSUR	02	D	P		DRL F/ 1790' TO 1970' TD
	2:30 - 3:30	1.00	DRLSUR	05	C	P		CIRC TO L/D TOOLS
	3:30 - 9:00	5.50	DRLSUR	06	A	P		L/D TOOLS - BIT
	9:00 - 11:00	2.00	DRLSUR	12	C	P		R/U RUN 44 JOINTS J55 36# 9 5/8 CSNG SHOE @ 1930.35 BAFFLE @ 1886' RELEASE RIG AT 11:30 9-2-09
	11:00 - 17:00	6.00	DRLSUR	12	E	P		R/U CMNT - TAIL - 250SX 15.8 # 1.15 YLD, TOP OUTS 450 SX 15.8# 1.15 YLD FLOAT GOOD
11/12/2009	-							
	8:00 - 9:30	1.50	DRLPRO	01	C	P		R/D - SKID RIG - R/U
	9:30 - 11:30	2.00	DRLPRO	14	A	P		NIPPLE UP B.O.P'S
	11:30 - 16:00	4.50	DRLPRO	15	A	P		TEST B.O.P'S - BLINDS-PIPE - 2"-4" VALVES - HCR - CHOKE MAINFOLD - 250 LOW - 5000 HIGH - ANNULAR 250 LOW - 2500 HIGH & CASING 1500 PSI.
	16:00 - 16:30	0.50	DRLPRO	14	B	P		SET WEAR BUSHING
	16:30 - 20:00	3.50	DRLPRO	06	A	P		P/U MOTOR - BIT - DIR TOOLS & SCRIBE & T.I.IH
	20:00 - 20:30	0.50	DRLPRO	07	B	P		LEVEL DERRICK
	20:30 - 21:30	1.00	DRLPRO	02	F	P		DRILL CEMENT & SHOE TRACK
	21:30 - 0:00	2.50	DRLPRO	02	D	P		DRILL-SLIDE F/ 1984 TO 2302 - 318" @ 127.2 FPH W/ 8.4 MUD WT - RPM 45 MRPM 112 - WOB 14/16 - TQ 3/5 - GPM 486
11/13/2009	0:00 - 15:30	15.50	DRLPRO	02	D	P		DRILL-SLIDE F/ 2302 TO 3845 - 1543' @ 99.5 FPH - MUD WT 8.4 - RPM 45 - MRPM 112 - WOB 14/16 - TQ 7/4 - GPM 486
	15:30 - 16:00	0.50	DRLPRO	08	A	P		SER RIG
	16:00 - 0:00	8.00	DRLPRO	02	D	P		DRILL-SLIDE F/ 3845 TO 4550 - 705' @ 88.1 FPH W/ 8.4 MUD WT - RPM 45 - MRPM 112 - WOB 14/16 - TQ - 7/4 - GPM 486
11/14/2009	0:00 - 12:00	12.00	DRLPRO	02	D	P		DRILL-SLIDE F/ 4550 TO 5475 - 925' @ 77.0 FPH - MUD WT 8.4 - RPM 45 - MRPM 112 - WOB 15/18 - TQ 5/8 - GPM 486
	12:00 - 12:30	0.50	DRLPRO	07	A	P		SER RIG
	12:30 - 0:00	11.50	DRLPRO	02	D	P		DRILL-SLIDE F/ 5475 TO 6136 - 661' @ 57.4 FPH W/ MUD W/ 8.4 - RPM 45 - MRPM 112 - WOB 15/18 - TQ 6/9 - GPM 486
11/15/2009	0:00 - 13:00	13.00	DRLPRO	02	D	P		DRILL-SLIDE F/ 6136 TO 6833 - 697' @ 53.6 FPH W/ 10.5 MUD WT VIS 42 - RPM 45 - MRPM 112 - WOB 18/20 - TQ 10/7 - GPM 486
	13:00 - 13:30	0.50	DRLPRO	07	A	P		SER RIG
	13:30 - 0:00	10.50	DRLPRO	02	D	P		DRILL-SLIDE F/ 6833 TO 7265 - 432' @ 41.1 FPH W/ 11.2 MUD WT VIS 42 - RPM 45 - MRPM 112 - WOB 18/20 - TQ 11/8 - GPM 486

US ROCKIES REGION

Operation Summary Report

Well: NBU 1022-14B3S RED	Spud Conductor: 8/18/2009	Spud Date: 9/1/2009
Project: UTAH-UINTAH	Site: NBU 1022-14B PAD	Rig Name No: ENSIGN 139/139, PROPETRO/
Event: DRILLING	Start Date: 8/27/2009	End Date: 11/19/2009
Active Datum: RKB @5,251.01ft (above Mean Sea Level)	UWI: NW/NE/0/10/S/22/E/14/0/0/26/PM/N/1,227.00/E/0/1,437.00/0/0	

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
11/16/2009	0:00 - 12:00	12.00	DRLPRO	02	D	P		DRILL-SLIDE F/ 7265 TO 7739 - 474' @ 39.5 FPH W/ 11.6 MUD WT VIS 42 - RPM 45 - MRPM 112 - WOB 18/22 - TQ 13/10 - GPM 486
	12:00 - 12:30	0.50	DRLPRO	07	A	P		SER RIG
	12:30 - 0:00	11.50	DRLPRO	02	D	P		DRILL-SLIDE F/ 7739 TO 8133 - 394' @ 34.2 FPH W/ 11.8 MUD WT VIS 43 - RPM 45 - MRPM 112 - WOB 18/22 - TQ 13/10 - GPM 486
11/17/2009	0:00 - 18:30	18.50	DRLPRO	02	D	P		DRILL-SLIDE F/ 8133 TO 8655 - 522' @ 28.2 FPH W/ 12.0 PPG MUD WT - WOB 18/23 - RPM 45 - MRPM 112 - TQ 13/10 - GPM 486
	18:30 - 19:30	1.00	DRLPRO	05	A	P		CIRC BTM UP
	19:30 - 0:00	4.50	DRLPRO	06	E	P		SHORT TRIP TO SHOE - PULL 2 STANDS OFF BTM NO PUMP OR ROT - PUMP DRY JOB. CONT T.O.H MAX OVER PULL 75 K OVER.
11/18/2009	0:00 - 4:00	4.00	DRLPRO	06	E	P		FINISH SHORT TRIP
	4:00 - 6:00	2.00	DRLPRO	05	A	P		CIRC BTM UP
	6:00 - 17:30	11.50	DRLPRO	06	A	P		T.O.H 5 STANDS & PUMP DRY JOB & L.D.D.P
	17:30 - 18:00	0.50	DRLPRO	14	B	P		PULL WEAR BUSHING
	18:00 - 0:00	6.00	DRLPRO	11	D	P		HELD SAFETY MEETING & R/U HALLIBURTON WIRELINE & RUN TRIPLE COMBO LOGGERS DEPTH @ 8638 & R/D
11/19/2009	0:00 - 6:00	6.00	DRLPRO	12	C	P		RUN PROD CASING 204 JTS PLUS MARKER & SHOE SET @ 8626 & FLOAT COLLAR @ 8584
	6:00 - 8:30	2.50	DRLPRO	05	A	P		CIRC BTM UP
	8:30 - 11:30	3.00	DRLPRO	12	C	P		R/U CEMENT HEAD & TEST LINES TO 5000 PSI & CEMENT W/ 40 BBLS WATER AHEAD & R/ LEAD 450 SKS 12.2 PPG YIELD 2.13 F/ TAIL 1350 SKS 14.3 PPG YIELD 1.25 DROP PLUG DISPLACED W/ 133.6 BBLS BUMP PLUG 500 OVER FINAL CIRC PSI OF 2550 & HAD FULL RETURNS DURING JOB & NO CEMENT BACK TO PIT,
	11:30 - 16:00	4.50	DRLPRO	14	A	P		SET CASING HANGER W/ 90K STRING WT & L/D LANDING JT & NIPPLE DOWN B.O.P'S & WASH & CLEAN OUT MUD TANKS & RELEASED RIG @ 16:00 HRS 0N 11/19/2009

US ROCKIES REGION

Operation Summary Report

Well: NBU 1022-14B3S RED	Spud Conductor: 8/18/2009	Spud Date: 9/1/2009
Project: UTAH-UINTAH	Site: NBU 1022-14B PAD	Rig Name No: MILES-GRAY 1/1, LEED 733/733
Event: COMPLETION	Start Date: 6/25/2010	End Date: 8/3/2010
Active Datum: RKB @5,251.01ft (above Mean Sea Level)	UWI: NW/NE/0/10/S/22/E/14/0/0/26/PM/N/1,227.00/E/0/1,437.00/0/0	

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
7/23/2010	7:00 - 9:00	2.00	COMP	37		P		HSM W/ CASEDHOLE WIRELINE, R/U ON WELL (STG #1 PERF) RIH W/ PERF GUNS, PERF THE MESAVERDE @ 8177' - 8178', 4-SPF, 8131' - 8132', 4-SPF, 8105' - 8106', 4-SPF, 8059' - 8061', 3-SPF, 8005' - 8006', 4-SPF,USING 3 3/8" SCALLOP GUNS, 23gm, 0.36" HOLE 90* PHS,22 HOLES,
7/26/2010	6:00 - 7:00	1.00	COMP	48		P		HAVE JSA-SAFETY MEETING W/ FRAC TECH AND CASEDHOLE WIRELINE, R/U FRAC TECH, PRESSURE TEST SURFACE LINE TO 8,000#, OK,

	7:00 - 15:00	8.00	COMP	36	E	P		(STG #1) WHP = 1187 #, SPOT 250 GALS 15% HCL ON PERF, STEP DOWN TEST = 50 B/M @ #, DROP 1 PUMPS, RATE @ 38 B/M @ 3690 #, DROP 1 PUMPS, RATE @ 23 B/M @ 3143 #, DROP 1 PUMP, RATE @ 13 B/M @ 2880 #, DROP 1/2 PUMP , RATE @ 7 B/M, @ 2751#,SHUT DOWN,
								ISIP = 2577 #, F..G.= 0.75 , INJ-RT = 50 B/M, INJ-P 4248 #, CALC ALL PERF OPEN, PUMP 1694 BBLS SLK WTR AND 47732 # OTTAWA SAND, ISIP = 2730 #, F.G.= 0.77 , NPI = 153 #, MP = 5549 #, MR = 50.7 B/M, AP = 4100 #, AR = 50 B/M, 42732 # 30/50 SD, 5000 # SLC SD,
								COMMENTS = LATE START
								
								(STG #2)RIH W/ HALLIBURTON 8K CBP AND PERF GUN, SET THE CBP @ 7955 ', PERF THE MESAVERDE @ 7909' - 7911', 3-spf, 7894' - 7896', 3-spf, 7877' - 7879', 3-spf, 7842' - 7843', 4-spf, USING 3 3/8" SCALLOP GUNS, 23gm, 0.36" HOLE, 90* PHS, 22 HOLES, WHP = 2033 #,
								STEP DOWN TEST = 48.8 B/M @ 4988 #, DROP 2 PUMPS, RATE @ 31.4 B/M @ 3800 #, DROP 1 PUMPS, RATE @ 23 B/M @ 3343 #, DROP 1 PUMP, RATE @ 8.7 B/M @ 2832 #, SHUT DOWN,
								ISIP = 2566 #, F..G.= 0.76 , INJ-RT = 47.7 B/M, INJ-P = 4753 #, CALC ALL PERF OPEN, PUMP BBLS SLK WTR AND # OTTAWA SAND, ISIP = #, F.G.= , NPI = #, MP = #, MR = B/M, AP = #, AR = B/M, # 30/50 SD, # SLC SD,
								COMMENTS = RA TRACER PUMP IN STG, LOST 3 PUMPS ON SWEEP, PUMP CSG VALOUME 1 1/2 TIMES 188 BBLS, SHUT DN, DN FOR THE DAY, SWI SDFN
								WILL FRAC REST OF STG #2 IN AM,

US ROCKIES REGION

Operation Summary Report

Well: NBU 1022-14B3S RED	Spud Conductor: 8/18/2009	Spud Date: 9/1/2009
Project: UTAH-UINTAH	Site: NBU 1022-14B PAD	Rig Name No: MILES-GRAY 1/1, LEED 733/733
Event: COMPLETION	Start Date: 6/25/2010	End Date: 8/3/2010
Active Datum: RKB @5,251.01ft (above Mean Sea Level)	UWI: NW/NE/0/10/S/22/E/14/0/0/26/PM/N/1,227.00/E/0/1,437.00/0/0	

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
7/27/2010	7:00 - 17:00	10.00	COMP	36	E	P		(FINISH STG #2) WHP = 2197 # ISIP = 2566 #, F..G.= 0.76 , INJ-RT = 47.7 B/M, INJ-P 4753 #, CALC all PERF OPEN, PUMP 2752 TOTAL BBLS SLK WTR AND 102805 # TOTAL OTTAWA SAND, ISIP = 2842 #, F.G.= 0.79 , NPI = 276 #, MP = 6150 #, MR = 50.3 B/M, AP = 5400 #, AR = 50 B/M, 97805 # 30/50 SD, 5000 # SLC SD, COMMENTS = START PUMP STG AT SWEEP, CUT WHITE SD @ 6,000#, TAIL IN W/ 5000# SLC SD (STG #3) RIH W/ HALLIBURTON 8K CBP AND PERF GUN, SET THE CBP @ 7548 ', PERF THE MESAVERDE @ 7446' - 7448', 3-SPF, 7404' - 7408', 4-SPF, USING 3 3/8" SCALLOP GUNS, 23gm, 0.36" HOLE, 90* PHS, 22 HOLES, WHP = 1357 #, STEP DOWN TEST = 50.5 B/M @ 6140 #, DROP 2 PUMPS, RATE @ 38.6 B/M @ 5006 #, DROP 2 PUMPS, RATE @ 20.7 B/M @ 3737 #, DROP 1PUMP, RATE @ 8.8 B/M @ 3196 #, SHUT DOWN, ISIP = 2860 #, F..G.= 0.80 , INJ-RT = 48.6 B/M, INJ-P= 5734 #, CALC ALL PERF OPEN, PUMP 1003 BBLS SLK WTR AND 27199 # OTTAWA SAND, ISIP = 2678 #, F.G.= 0.79 , NPI = -182 #, MP = 6267 #, MR = 51.5 B/M, AP = 5200 #, AR = 50.5 B/M, 22199 # 30/50 SD, 5000 # SLC SD, COMMENTS = REPAIR TWO PUMPS BEFORE JOB (STG #4) RIH W/ HALLIBURTON 8K CBP AND PERF GUN, SET THE CBP @ 7353 ', PERF THE MESAVERDE @ 7250' - 7253', 4-SPF, 7198' - 7199', 3-SPF, 7110'-7112', 3-SPF, 7091'-7092' 3-SPF, USING 3 3/8" SCALLOP GUNS, 23gm, 0.36" HOLE, 90* PHS, 24 HOLES,

US ROCKIES REGION

Operation Summary Report

Well: NBU 1022-14B3S RED	Spud Conductor: 8/18/2009	Spud Date: 9/1/2009
Project: UTAH-UINTAH	Site: NBU 1022-14B PAD	Rig Name No: MILES-GRAY 1/1, LEED 733/733
Event: COMPLETION	Start Date: 6/25/2010	End Date: 8/3/2010
Active Datum: RKB @5,251.01ft (above Mean Sea Level)	UWI: NW/NE/0/10/S/22/E/14/0/0/26/PM/N/1,227.00/E/0/1,437.00/0/0	

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation

7/30/2010	8:00 - 16:00	8.00	COMP	36	E	P		(STG #4) WHP = 717 #,
								STEP DOWN TEST = 52.5 B/M @ 5200 #, DROP 2 PUMPS, RATE @ 38.8 B/M @ 4142 #, DROP 2 PUMPS, RATE @ 18 B/M @ 3020 #, DROP 1 PUMP, RATE @ 10 B/M @ 2750 #, SHUT DOWN,
								ISIP = 2501 #, F..G.= 0.78 , INJ-RT = 51.2 B/M, INJ-P = 4160 #, CALC ALL PERF OPEN, PUMP 890 BBLS SLK WTR AND 28114 # OTTAWA SAND, ISIP = 2519 #, F.G.= 0.78 , NPI = 18 #, MP = 5161 #, MR = 52 B/M, AP = 3700 #, AR = 51 B/M, 23114 # 30/50 SD, 5000 # SLC SD,
								COMMENTS = LOST PRIME ON SLC SD,
								
								(STG #5) RIH W/ HALLIBURTON 8K CBP AND PERF GUN, SET THE CBP @ 6933 ', PERF THE MESAVERDE @ 6831' - 6833', 3-SPF, 6810' - 6813', 4-SPF, 6786' - 6788', 3-SPF, USING 3 3/8" SCALLOP GUNS, 23gm, 0.36" HOLE, 90* PHS, 24 HOLES, WHP = 335 #,
								STEP DOWN TEST = 51 B/M @ 4300 #, DROP 2 PUMPS, RATE @ 36.6 B/M @ 3549 #, DROP 2 PUMPS, RATE @ 18.1 B/M @ 2767 #, DROP 1 PUMP, RATE @ 10.2 B/M @ 2544 #, SHUT DOWN,
								ISIP = 2307 #, F..G.= 0.77 , INJ-RT = 51.6 B/M, INJ-P = 4042 #, CALC ALL PERF OPEN, PUMP 1399 BBLS SLK WTR AND 56778 # OTTAWA SAND, ISIP = 2166 #, F.G.= 0.75 , NPI = -141 #, MP = 5373 #, MR = 51.8 B/M, AP = 3700 #, AR = 51 B/M, 51778 # 30/50 SD, 5000 # SLC SD,
								COMMENTS = GOOD JOB
								
								(STG #6) RIH W/ HALLIBURTON 8K CBP AND PERF GUN, SET THE CBP @ 6736 ', PERF THE MESAVERDE @ 6664' - 6666', 4-SPF, 6604' - 660-6', 3-SPF, 6569' - 6572', 4-SPF, USING 3 3/8" SCALLOP GUNS, 23gm, 0.36" HOLE, 90* PHS, 26 HOLES, WHP = 106 #,
								STEP DOWN TEST = 50 B/M @ 4200 #, DROP 2 PUMPS, RATE @ 34.2 B/M @ 3137 #, DROP 2 PUMPS, RATE @ 15.3 B/M @ 2380 #, DROP 1 PUMP, RATE @ 10.1 B/M @ 2209 #, SHUT DOWN,
								ISIP = 1930 #, F..G.= 0.70 , INJ-RT = 50.5 B/M, INJ-P = 3900 #, CALC ALL PERF OPEN, PUMP 1330 BBLS SLK WTR AND 57995 # OTTAWA SAND, ISIP = 2242 #, F.G.= 0.77 , NPI = 312 #, MP = 4184 #, MR = 50.5 B/M, AP = 3500 #, AR = 50 B/M, 52995 # 30/50 SD, 5000 # SLC SD,
								COMMENTS = RA TRACER IN STG, LOST PUMP ON FLUSH
								
								(KILL PLUG) RIH W/ HALLIBURTON 8K CBP, SET CBP @ 6519', R/D WIRELINE AND FRAC CREW
								
								TOTAL FLUID = 9067 BBLS SLK WTR
								TOTAL SAND = 320623# OTTAWA SAND

8/2/2010	7:00 - 7:30	0.50	COMP	48		P		HSM, RIGGING UP RIG & EQUIP.
	7:30 - 13:00	5.50	COMP	30	A	P		MIRU, ND FRAC VALVE, WH FRAC SLEVE STUCK IN NWH, PULLED TO 10K W/ CHAIN, NO LUCK WAIT FOR WH PEOPLE & TBG FLANG,INSTALLED ADAPTER FLANG BACK TO 23/8, INSTALLED TBG SUB & PULLED TO 40,000# SEVERAL TIMES NO LUCK, ORDERED SURFACE JARS.

US ROCKIES REGION

Operation Summary Report

Well: NBU 1022-14B3S RED	Spud Conductor: 8/18/2009	Spud Date: 9/1/2009
Project: UTAH-UINTAH	Site: NBU 1022-14B PAD	Rig Name No: MILES-GRAY 1/1, LEED 733/733
Event: COMPLETION	Start Date: 6/25/2010	End Date: 8/3/2010
Active Datum: RKB @5,251.01ft (above Mean Sea Level)	UWI: NW/NE/0/10/S/22/E/14/0/0/26/PM/N/1,227.00/E/0/1,437.00/0/0	

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
	13:00 - 15:30	2.50	COMP	46	E	X		WAIT ON JARS, PU JARS, PULLED TO 30,000# & SET OFF JARS, MOVED STINGER, PULL STINGER OUT, L/D JARS,
	15:30 - 17:00	1.50	COMP	31	I	P		LOAD ALL STINERS IN CAMERON TRUCK TO BE SENT TO TOWN FOR INSETION. NU BOPS RU FLOOR & TBG EQUIP.PU 37/8 BIT, POBS, X/N 20 JTS 23/8 L-80 OFF FLOAT, EOT @ 630' SWI SDFN.
8/3/2010	7:00 - 7:30	0.50	COMP	48		P		HSM, PICKING UP TBG OFF FLOAT.
	7:30 - 10:30	3.00	COMP	31	I	P		PU REM 185 JTS 23/8 L-80 TOTAL 205 JTS TAG UP @ 6491', RU DRLG EQUIP.
	10:30 - 17:00	6.50	COMP	44	C	P		BROK CIRC CONVENTIONAL, TEST BOPS TO 3,000# OK RIH. C/O 10' SAND TAG 1ST PLUG @ 6501' DRL PLG IN 3 MIN 200# PSI INCREASE RIH. (MV) C/O 64' SAND TAG 2ND PLUG @ 6730' DRL PLG IN 5 MIN 100# PSI INCREASE RIH. (MV) C/O 90' SAND TAG 3RD PLUG @ 6933' DRL PLG IN 9 MIN 200# PSI INCREASE RIH. (MV) C/O 40' SAND TAG 4TH PLUG @ 7353' DRL PLG IN 5 MIN 600# PSI INCREASE RIH. (MV) C/O 50' SAND TAG 5TH PLUG @ 7560' DRL PLG IN 3 MIN 600# PSI INCREASE RIH. (MV) C/O 45' SAND TAG 6TH PLUG @ 7955' DRL PLG IN 6 MIN 500# PSI INCREASE RIH. (MV) C/O TO PBTD @ 8595', CIRC CLEAN, RD SWIVEL, L/D 62 JTS. LAND TBG ON 200 JTS, ND BOPS NU WH PMP OFF BIT LET WELL SET FOR 30 MIN FOR BIT TO FALL, TURN WELL OVER TO FB CREW. RIG DWN MOVE OVER & RU ON NBU 1022-14A1S. SDFN. KB = 13' CAMERON 71/16 5K HANGER = .83' 200 JTS 23/8 L-80 = 6329.09' POBS & 1.875 X/N = 2.20' (TBG LANDED HIGH FOR PL) EOT @ 6345.12' (LAND @ 7812' AFTER LOG) 283 JTS HAULED OUT 200 LANDED 83 TO RETURN TWTR = 9287 BBLS TWR = 600 BBLS TWLTR = 8687 BBLS
8/4/2010	7:00 -			33	A			7 AM FLBK REPORT: CP 2000#, TP 1400#, 20/64" CK, 40 BWPH, HVY SAND, LIGHT GAS TTL BBLS RECOVERED: 1410 BBLS LEFT TO RECOVER: 7877
8/5/2010	7:00 -			33	A			7 AM FLBK REPORT: CP 2575#, TP 1350#, 20/64" CK, 35 BWPH, MED SAND, MED GAS TTL BBLS RECOVERED: 2280 BBLS LEFT TO RECOVER: 7007

US ROCKIES REGION

Operation Summary Report

Well: NBU 1022-14B3S RED	Spud Conductor: 8/18/2009	Spud Date: 9/1/2009
Project: UTAH-UINTAH	Site: NBU 1022-14B PAD	Rig Name No: MILES-GRAY 1/1, LEED 733/733
Event: COMPLETION	Start Date: 6/25/2010	End Date: 8/3/2010
Active Datum: RKB @5,251.01ft (above Mean Sea Level)	UWI: NW/NE/0/10/S/22/E/14/0/0/26/PM/N/1,227.00/E/0/1,437.00/0/0	

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
8/6/2010	7:00 -			33	A			7 AM FLBK REPORT: CP 2300#, TP 1250#, 20/64" CK, 28 BWPH, MED SAND, MED GAS TTL BBLS RECOVERED: 2986 BBLS LEFT TO RECOVER: 6301
	11:15 -		PROD	50				WELL TURNED TO SALES @ 11:15 HR ON 8/6/2010 - 960 MCFD, 840 BWPD, CP 2300#, FTP 1300#, CK 20/64"
8/7/2010	7:00 -			33	A			7 AM FLBK REPORT: CP 2050#, TP 1225#, 20/64" CK, 20 BWPH, TRACE SAND, - GAS TTL BBLS RECOVERED: 3523 BBLS LEFT TO RECOVER: 5764
8/15/2010	7:00 -							WELL IP'D ON 8/15/10 -1232 MCFD, 0 BOPD, 200 BWPD, CP 882#, FTP 425#, CK 25/64", LP 78#, 24 HRS
9/1/2010	6:30 - 6:45	0.25	COMP	48		P		JSA- ROADING RIG. PU TBG.
	6:45 - 12:00	5.25	COMP	30	A	P		RACK OUT EQUIP. ROAD RIG AND EQUIP FROM NBU 922-31K PAD TO LOC. RUSU. FTP 250. SICP 600. 0 H2S. PMP 10 BBLS DOWN TBG. ND WH. NU BOP. RU FLOOR AND TBG EQUIP. UNLAND TBG FROM 6345'. LUB OUT AND LD 7" 5K HANGER.
	12:00 - 16:30	4.50	COMP	31	I	P		MEAS AND PU 46-JTS 2-3/8" L-80 TBG. RU SANDLINE AND RUN 1.91" BROACH. SET DOWN AT 700'. PULL TO JT W/ BAD PIN ON BOX ENT. X-OUT AND RUN BACK IN. RUN 1.91" BROACH TO EOT. GOOD. RD SANDLINE. PU 7" 5K HANGER. LUB IN AND LAND 246-JTS 2-3/8" L-80 W/ EOT AT 7802.55'. RD FLOOR. ND BOP. NU WH. SHUT WELL IN. RDSU IN AM. TBG DETAIL KB 13.00 7" 5K HANGER .83 246-JTS 2-3/8" L-80 7786.52 1.87" XN (FE POBS) 2.20 EOT 7802.55 60 JTS DELIVERED. 14 JTS RETURNED LTR 50 BBLS

API Well No: 43047395240000

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5.LEASE DESIGNATION AND SERIAL NUMBER: STUO01197-AST

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME: NATURAL BUTTES

1. TYPE OF WELL Gas Well

8. WELL NAME and NUMBER: NBU 1022-14B3S

2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.

9. API NUMBER: 43047395240000

3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779 **PHONE NUMBER:** 720 929-6515 Ext

9. FIELD and POOL or WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 1227 FNL 1437 FEL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWNE Section: 14 Township: 10.0S Range: 22.0E Meridian: S

COUNTY: UINTAH

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
✓ NOTICE OF INTENT Approximate date work will start: 3/8/2011	☐ ACIDIZE	☐ ALTER CASING	✓ CASING REPAIR
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
☐ SPUD REPORT Date of Spud:	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐ DRILLING REPORT Report Date:	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

The operator request approval to conduct wellhead/casing repair operations on the subject well location. Please find the attached procedures for the proposed repair work for the subject well location.

Approved by the Utah Division of Oil, Gas and Mining

Date: 03/09/2011

By: Dark K Quist

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Gina Becker	720 929-6086	Regulatory Analyst II
SIGNATURE N/A		**DATE** 3/8/2011

WORKORDER #: 88120968 3/2/11

Name: NBU 1022-14B3S – 1022-14B PAD
Surface Location: NWNE SEC.14, T10S, R22E
Uintah County, UT

API: 4304739524 LEASE#: ST UO 01197 AST

ELEVATIONS: 5234' GL 5247' KB

TOTAL DEPTH: 8655' PBTD: 8582'

SURFACE CASING: 9 5/8", 36# J-55 @ 1948'

PRODUCTION CASING: 4 1/2", 11.6#, I-80 @ 8626'
TOC @ ~920' per CBL

PERFORATIONS: Mesaverde 6569' – 8178'

Tubular/Borehole	Drift inches	Collapse psi	Burst psi	Capacities		
				Gal./ft.	Cuft/ft.	Bbl./ft.
2.375" 4.7# J-55 tbg.	1.901	8100	7700	0.1624	0.02173	0.00387
4.5" 11.6# I-80	3.875	6350	7780	0.6528	0.0872	0.01554
9.625" 36# J-55	8.921	2020	3520	3.247	0.434	0.0773
Annular Capacities						
2.375" tbg. X 4 ½" 11.6# csg				0.4227	0.0565	0.01006

GEOLOGICAL MARKERS, TOPS:

968' Green River
1178' Bird's Nest
1793' Mahogany
4270' Wasatch
6484' Mesaverde

NBU 1022-14B3S – WELLHEAD REPLACEMENT PROCEDURE

PREP-WORK PRIOR TO MIRU:

1. Dig out down to the 2" surface casing valve or to the valve on the riser off the surface casing.

2. Install a tee with 2 valves, with a pressure gauge and sensor on one valve.

3. Open casing valve and record pressures.

4. Install nipple and steel hose on the other valve, the relief valve,. Do not use hammer unions. No impact equipment or tools to be used for any of this installation. Extend hose and hard piping to a downwind location at least 100' from the wellhead. Consider installing a manifold so that vent area could be in two locations approx. 90 degrees apart from the wellhead.

5. Open the relief valve and blow well down to the atmosphere.

6. Make a determination of amount of gas flow, either by installation of a choke nipple, bucket test or other.

7. Shut well in. Observe for rate of build-up by utilizing sensor data. Do not build-up for more than 24 hours. Vent gas through the vent line and leave open to the atmosphere.

WORKOVER PROCEDURE:

1. MIRU workover rig.

2. Kill well with 10# brine / KCL (dictated by well pressure).

3. Remove tree, install double BOP with blind and 2 3/8" pipe rams, with accumulator closing unit and manual back-ups. Function test BOP system.

4. POOH w/ tubing laying down extra tubing.

5. Rig up wireline service. RIH and set CBP @ ~6519'. Dump bail 4 sx cement on top of plug. POOH and RD wireline service. TIH w/ tubing and seating nipple. Land tubing ±60' above cement. RDMO.

6. Monitor well pressures. If surface casing is dead. MIRU. ND WH and NU BOP. POOH w/ tubing.

7. Depending on conditions at wellsite, continue with either CUT/PATCH Procedure or BACK-OFF Procedure.

CUT/PATCH PROCEDURE:

1. PU internal casing cutters and RIH. Cut casing at +/- 30' from surface.

2. POOH, LD cutters and casing.

3. PU 7 3/8" overshot with 4 ½" right hand standard wicker grapple, 1 - 4 ¾" drill collar with 3 ½" IF threads, pup joint, manual bumper sub, and crossovers. If casing cut is deeper than ±30' utilize >7000 ft-lb torque pipe as needed. Pull a minimum of 10,000# to keep grapple engaged if cement top is high (<~900'). If cement top is low (>~900'), more weight will be required to put casing in neutral. Torque casing string to ±7000 ft-lbs, count number of turns to make-up, and document in the daily report. Ensure that tongs are safely anchored to rig and that all personnel are at a safe working distance from the tongs during torque-up and torque release. After initial make-up, place pipe torque to neutral and mark pipe. Place ±7000 ft-lbs on casing a second time, count turns, then return pipe torque to neutral and count turns. Repeat if torque-up turns do not equal torque release turns. Once torque-in equals torque-out, release overshot, POOH, and lay down.

4. TIH w/ skirted mill and dress off the fish top for approximately ½ hour. TOOH.

5. PU & RIH w/ 4 ½" 10k external casing patch on 4 ½" P-110 casing. Ensure that sliding sleeve assembly shifts ±3' and casing tags no-go portion of patch. NOTE: Shear pins will shear at 3500 to 4500 lbs.

6. Latch fish, PU to 100,000# tension. RU B&C. Cycle pressure test to 7,000# / 9,000# psi.

7. Install slips. Land casing w/ 80,000# tension.

8. Cut-off and dress 4 ½" casing stub.

9. NUWH. PU 3 7/8" bit, POBS and RIH. D/O cement and plug ~6469'. Clean out to PBTD (8582').

10. POOH, land tbg and pump off POBS.

11. NUWH, RDMO. Turn well over to production ops.

BACK-OFF PROCEDURE:

1. PU internal casing cutters and RIH. Cut casing at +/- 6' from surface.

2. POOH, LD cutters and casing.

3. PU 4 ½" overshot. RIH, latch fish. Pick string weight to neutral.

4. MIRU casing crew and wireline services. RIH and shoot string shot at casing collar @ ± 46'.

5. Back-off casing, POOH.

6. PU new casing joint with buttress threads and entry guide and RIH. Tag casing top. Thread into casing and torque up to ±7000 ft-lbs, count number of additional turns to make-up, and document in the daily report. Ensure that tongs are safely anchored to rig and that all personnel are at a safe working distance from the tongs during torque-up and torque release. After initial make-up, place pipe torque to neutral and mark pipe. Place ±7000 ft-lbs on casing a second time, count turns, then return pipe torque to neutral and count turns. Repeat if torque-up turns do not equal torque release turns. Once torque-in equals torque-out go to step 7.

7. PU 100,000# tension string weight. RU B&C. Cycle pressure test to 7,000# / 9,000# psi.

8. Install slips. Land casing w/ 80,000# tension.

9. Cut-off and dress 4 ½" casing stub.

10. NUWH. PU 3 7/8" bit, POBS and RIH. D/O cement and plug ~6469'. Clean out to PBTD (8582').

11. POOH, land tbg and pump off POBS.

12. NUWH, RDMO. Turn well over to production ops.

Logan High Pressure Casing Patches
Assembly Procedure

All parts should be thoroughly greased before being assembled.

1. Install all four Logan Type “L” Packers in the spaces provided in the Casing Patch Bowl. Refer to diagram provided for proper installation.

2. Install Packer Protector from the Basket Grapple end of the Bowl. The beveled end of the Packer Protector goes in first. Carefully push the Packer Protector through the four Type “L” Packers.

3. Align Shear Pin Holes in Packer Protector so that the holes have just passed into the counter bore at the Top Sub end, refer to diagram. The Packer Protector is provided with four Shear Pin Holes. Use only two holes, 180 degrees apart and install the pins.

4. Screw the Basket Grapple in from the lower end of the Bowl, using left-hand rotation. The Tang Slot in the Basket Grapple must land in line with the slot in the Bowl.

5. Insert the Basket Grapple Control into the end of the Bowl. Align Tang on the Basket Grapple Control with the Tang Slot of the Bowl and Basket Grapple. This secures the Bowl and the Basket Grapple together.

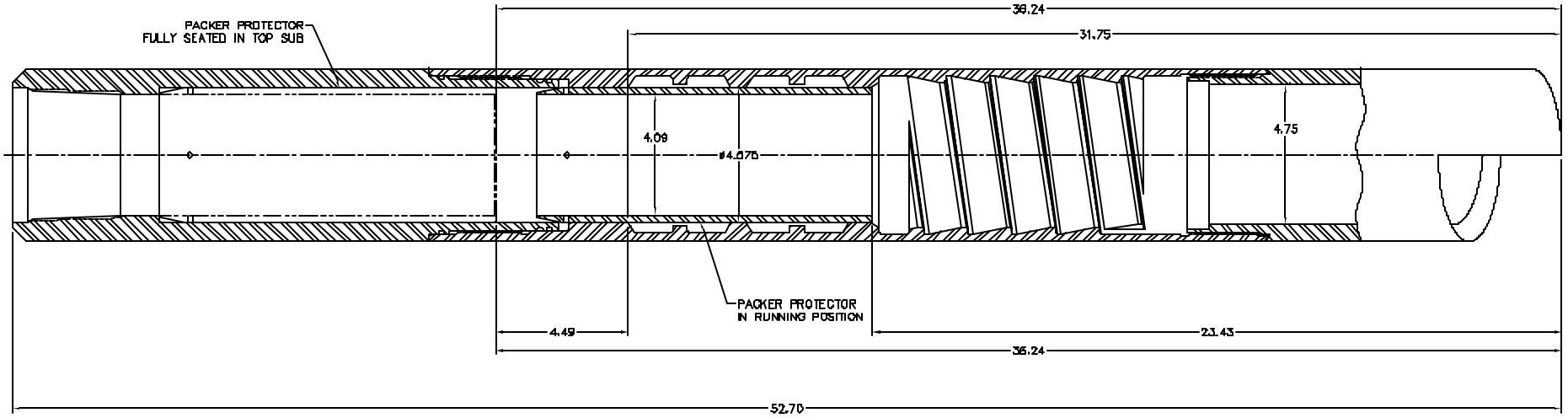
6. Install the Cutlipped Guide into the lower end of the Bowl.

7. Install O-Rings on the two five-foot long Extensions. Screw the first Extension into the top end of the Bowl. Screw the second Extension into the top end of the first Extension.

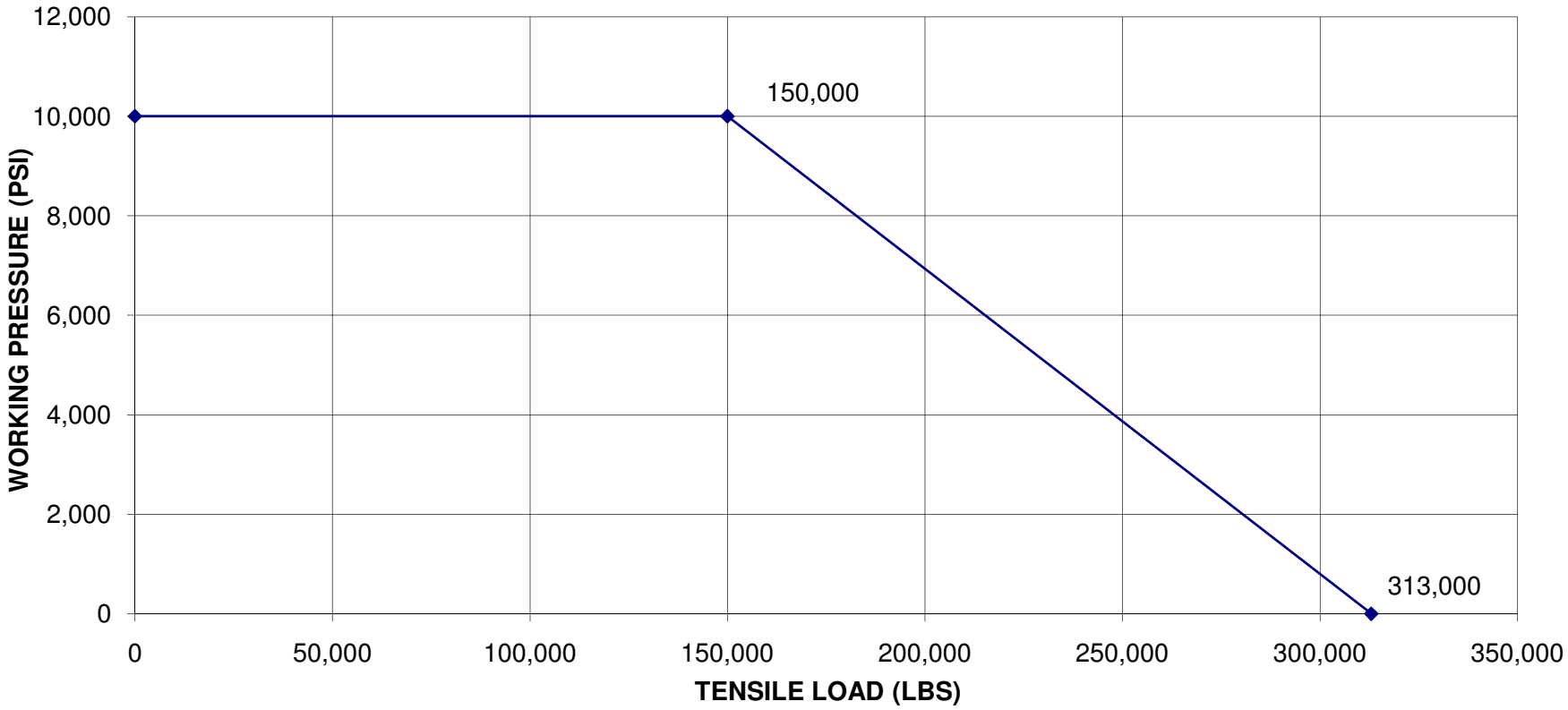
8. Install O-Ring on Top Sub. Screw Top Sub into top end of second Extension.

Follow recommended Make-Up Torque as provided in chart.

510L-005-001 4-1/2" LOGAN HP CASING PATCH



STRENGTH DATA FOR LOGAN 5.88" OD "L" TYPE CSG PATCH
4-1/2 CASING, 10K PSI MAX WP 125K YIELD MAT'L
LOGAN ASSEMBLY NO. 510L-005 -000



COLLAPSE PRESSURE:
11,222 PSI @ 0 TENSILE
8,634 PSI @ 220K TENSILE

Tensile Strength @ Yield:
Tensile Strength w/ 0 Int. Press.= 472,791lbs.
Tensile Strength w/ 10K Int. Press.= 313,748lbs.

DATA BY SLS 11/16/2009

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5.LEASE DESIGNATION AND SERIAL NUMBER: STUO01197-AST

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME: NATURAL BUTTES

1. TYPE OF WELL Gas Well

8. WELL NAME and NUMBER: NBU 1022-14B3S

2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.

9. API NUMBER: 43047395240000

3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779 **PHONE NUMBER:** 720 929-6515 Ext

9. FIELD and POOL or WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 1227 FNL 1437 FEL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWNE Section: 14 Township: 10.0S Range: 22.0E Meridian: S

COUNTY: UINTAH

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
✓ NOTICE OF INTENT Approximate date work will start: 3/24/2011	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
☐ SPUD REPORT Date of Spud:	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐ DRILLING REPORT Report Date:	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	✓ OTHER	OTHER: GAS LIFT

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

The operator requests authorization to implement artificial gas lift in the subject well. Please see attached gas lift measurement formula, downhole configuration proposal, and topo map of the project area.

Approved by the Utah Division of Oil, Gas and Mining

Date: 04/04/2011

By: Dark K Quist

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Andy Lytle	720 929-6100	Regulatory Analyst
SIGNATURE N/A		**DATE** 3/18/2011

RECEIVED Mar. 18, 2011

Section 14-10S-22E Gas Lift Proposal

Change of Measurement

The purpose of this change of measurement is to account for additional gas circulated in the wellbore during "gas lift" operations.

"Lift Gas" volumes and BTU content will be measured through a calibrated orifice meter. Reported "Formation Production" will be the BTU difference between the "Sales Meter" and "Lift Gas Meter." The calculation is shown below:

	Sales Meter:	BTU Content	x	Volume
-	Lift Gas Meter:	BTU Content	x	Volume
	Formation Production	BTU Content	x	Volume

Gas meters will be tested twice annually for BTU content.

Downhole Change of Configuration

The purpose of the new configuration is to operate this well with the "gas lift" mode of artificial lift. The installation will include a packer set above the perforation interval and gas lift valves & mandrels spaced throughout the tubing string. "Lift Gas" will be circulated from the casing-tubing annulus, pass through gas lift valves, and be produced with formation production. "Gas lift" is a proven artificial lift method in the Rockies region for high liquid rate wells such as this.

Purpose of Pipeline

The gas lift pipeline will tap into the Archy Bench Compressor's high-pressure discharge pipeline and extend back to the casing valve of each wellhead below. The purpose of this pipeline is to supply the well with "Lift Gas" from the Archy Bench Compressor Station, therefore enabling the "gas lift" mode of artificial lift.

Wells:

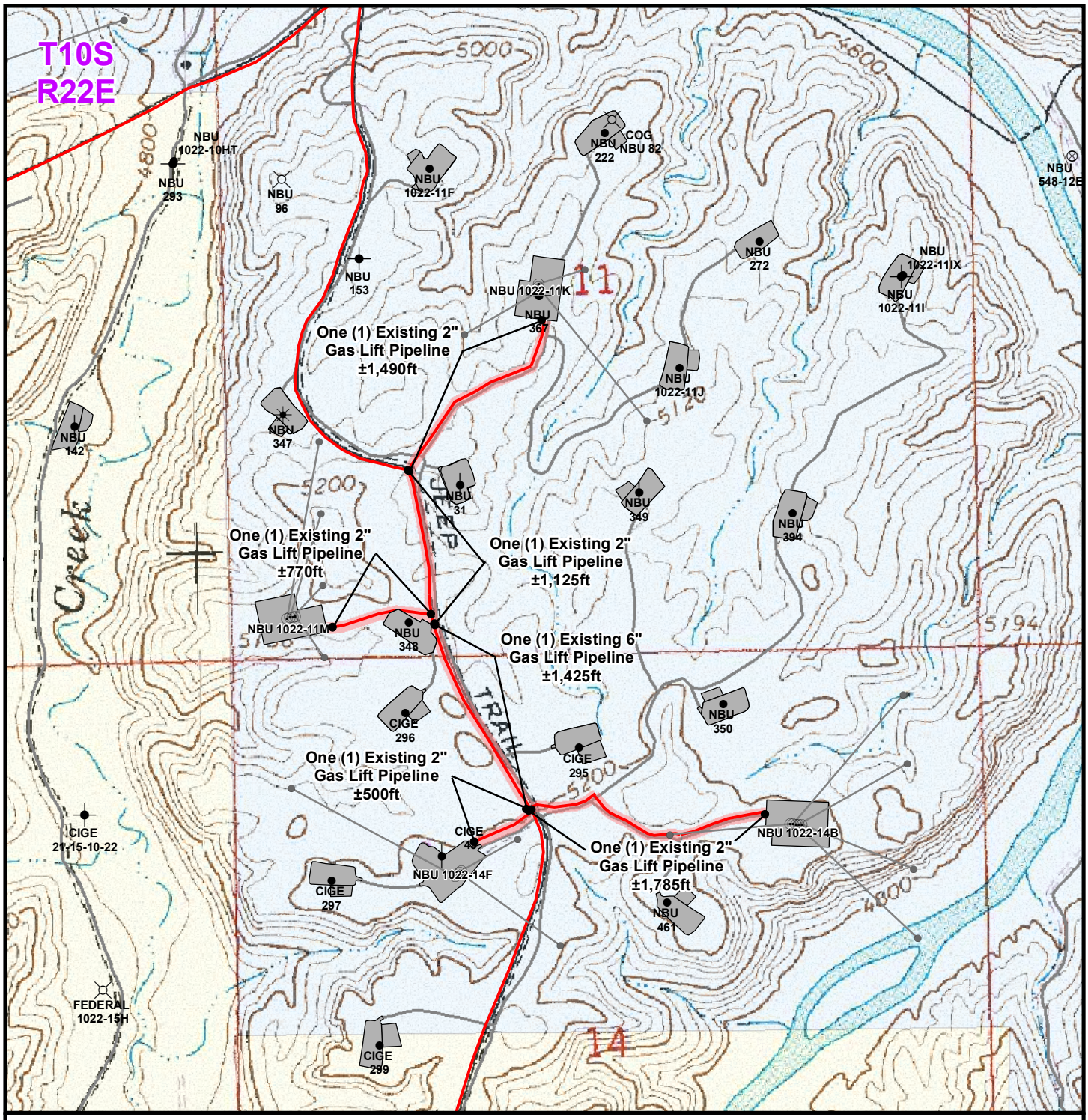
NBU 1022-14B pad:

- NBU 1022-14A1S
- NBU 1022-14A4S
- NBU 1022-14B3S
- NBU 1022-14H1S
- NBU 1022-14H4S

NBU 1022-14F pad:

- NBU 1022-14C4S
- NBU 1022-14D3S
- NBU 1022-14F2S
- NBU 1022-14F4S

RECEIVED Mar. 18, 2011



Legend

- Well - Proposed
- Well - Existing
- Well Pad - Existing
- Gas Pipeline - Proposed
- Gas Pipeline - To Be Upgraded
- Gas Pipeline - Existing
- Gas Lift Pipeline - Sundry
- Road - Proposed
- Road - Existing
- Overhead Powerline - As-Built
- Bureau of Land Management
- Indian Reservation
- State
- Private
- Active
- Approved permit (APD); not yet spudded
- Dry hole marker, buried
- Location Abandoned
- New Permit (Not yet approved or drilled)
- Plugged and Abandoned
- Producing
- Returned APD (Unapproved)
- Shut-In
- Spudded (Drilling commenced: Not yet completed)
- Temporarily-Abandoned

Kerr-McGee Oil & Gas Onshore, LP
1099 18th Street, Denver, Colorado 80202

GAS LIFT PIPELINE SUNDRY
SECTION 11, T10S, R22E,
S.L.B.&M., UINTAH COUNTY, UTAH

609 CONSULTING, LLC
2155 North Main Street
Sheridan, WY 82801
Phone (307) 674-0609
Fax (307) 674-0182

N

Scale: 1" = 1,000ft	NAD83 USP Central	Exhibit B
Drawn: CPS	Date: 14 Dec 2010	
Revised:	Date:	

RECEIVED Mar. 18, 2011

FORM 9

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

5.LEASE DESIGNATION AND SERIAL NUMBER: STUO01197-AST

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME: NATURAL BUTTES

1. TYPE OF WELL Gas Well

8. WELL NAME and NUMBER: NBU 1022-14B3S

2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.

9. API NUMBER: 43047395240000

3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779 **PHONE NUMBER:** 720 929-6526

9. FIELD and POOL or WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 1227 FNL 1437 FEL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWNE Section: 14 Township: 10.0S Range: 22.0E Meridian: S

COUNTY: UINTAH

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT Approximate date work will start:	☐ ACIDIZE	☐ ALTER CASING	✓ CASING REPAIR
✓ SUBSEQUENT REPORT Date of Work Completion: 5/26/2011	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
☐ SPUD REPORT Date of Spud:	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐ DRILLING REPORT Report Date:	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	✓ OTHER	OTHER: Wellhead Repair

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

THE OPERATOR HAS CONCLUDED WELLHEAD/CASING REPAIRS ON THE SUBJECT WELL LOCATION. PLEASE SEE THE ATTACHED CHRONOLOGICAL HISTORY FOR DETAILS OF THE OPERATIONS.

Accepted by the Utah Division of Oil, Gas and Mining
FOR RECORD ONLY
May 31, 2011

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Gina Becker	720 929-6086	Regulatory Analyst II
SIGNATURE N/A		**DATE** 5/26/2011

RECEIVED May. 26, 2011

US ROCKIES REGION

Operation Summary Report

Well: NBU 1022-14B3S RED	Spud Conductor: 8/18/2009	Spud Date: 9/1/2009	
Project: UTAH-UINTAH	Site: NBU 1022-14B PAD		Rig Name No: SWABBCO 6/6, SWABBCO 6/6
Event: WELL WORK EXPENSE	Start Date: 5/18/2011		End Date: 5/20/1970
Active Datum: RKB @5,251.00ft (above Mean Sea Leve	UWI: NW/NE/0/10/S/22/E/14/0/0/26/PM/N/1,227.00/E/0/1,437.00/0/0		

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
5/18/2011	7:00 - 7:15	0.25	WO/REP	48		P		JSA= RU RIG WELL CONTROL
	7:15 - 19:00	11.75	WO/REP	30		P		MIRU SPOT EQUIP 150 PSI ON WELL ND WELLHEAD NU BOPS RU FLOOR & TUBING EQUIP UNLAND TUBING HANGER GAULDED BREAKING OUT GET SLIP TYPE ELEVATORS DELIVERED PULL 1ST JNT TUBING PRESS UP PLUNGER EQUIP STILL IN TUBING CALL FOR SLICKLINE TRK PULL PLUNGER EQUIP OUT OF WELL SLICKLINE DIDNT SHOW POOH WET STRING W/ 246 JNTS RU W/L RIH GAUGE RNG TO 6550' POOH RIH SET CBP @ 6520' POOH DUMP BAIL 4 SKS CEM ON CBP FILL HOLE W/ TMAC TEST TO 1000# SDFN
5/19/2011	7:00 - 7:15	0.25	WO/REP	48		P		JSA= WELLHEAD REPAIR
	7:15 - 17:00	9.75	WO/REP	30		P		0 PSI ON WELL ND BOPS PU PWR SWVL & INT CUTTER CUT @ 8' BELOW SURFACE POOH W/ CUTTER & HNGR PU OVERSHOT RU W/L & TONGS APPLY LH TORQUE SET OFF STRING SHOT B/O CSG POOH W/ JNT PU SKIRTED PUP & 1 JNT CSG RIH MAKE ALL UP TO 7000# TORQUE 32 RNDS NU TESTER PRESS TEST TO 3500# LOST 28# 30 MIN SET SLIPS W/ 90000# TENSION CUT CSG NU WELLHEAD & BOPS RU FLOOR & TUBING EQUIP PU 3-7/8" MILL RIH TAG TOC @ PU PWR SWVL PREP TO C/O IN AM SDFN
5/20/2011	7:00 - 7:15	0.25	WO/REP	48		P		FOAMING
	7:15 - 17:00	9.75	WO/REP	30		P		0 PSI ON WELL EST CIRC W/ FOAM AIR UNIT DRILL THRU CEMENT & CBP 0 INCREASE ON WELL CIRC CLEAN CONTINUE TO RIH TO 8350' 170' BELOW BTM PERF CIRC CLEAN POOH W/ MILL PU NOTCHED 1.87XN RIH W/ 246 JNTS LAND TUBING ON HNGR RD FLOOR & TUBING EQUIP ND BOPS NU WELLHEAD PREP TO RIG DOWN